

Company number: 06396687
Charity Number: 1122206

SPEAR Housing Association Limited

Report and financial statements
For the year ended 31 March 2022



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SPEAR Housing Association Limited

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SPEAR Housing Association Limited

Reference and administrative information

For the year ended 31 March 2022

Company number 06396687
Country of incorporation United Kingdom

Charity number 1122206
Country of registration England & Wales

Registered office and operational address 89 Heath Road
Twickenham
TW1 4AW

Trustees Trustees, who are also directors under company law, who served during the year and up to the date of this report were as follows:

Paul Doe	Chair
Duncan Richford	Vice Chair
Jack Stephen	
Fiona Barrett	
Kai Bilimoria	
Nigel Bloomer	
Charlotta Campanale	
Jonathan Cardy	
Alex Doig	
Grant Healy	
Wim Overeynder	(resigned 8 September 2022)
Christine Reay	

Company Secretary Tim Fallon

Key management personnel Tim Fallon

Mark Gay	Interim Finance Director (resigned 8 December 2021)
Susan Kent	Finance Director (appointed 7 March 2022)

Heidi Shrimpton	Head of Fundraising & Communications (left 31 December 2021)
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Helen Whittaker	Director of Fundraising & Engagement (appointed 1 March 2022)
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Lesleigh Bounds	Director Strategic Operations (left 11 June 2021)
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Message from the Chair and CEO

21/22 saw the continuing impact of Covid on rough sleeping. In March 2020 SPEAR's Outreach teams had played a key role in the 'Everyone In' initiative to provide all rough sleepers with a place to stay safe at the beginning of the pandemic. Throughout 21/22 we continued to support many people placed in hotels and temporary accommodation through this initiative while continuing our usual Outreach work.

21/22 also saw, in 3 LA areas, the first full year of SPEAR staff supporting rough sleepers placed in their own self-contained accommodation through 'Housing First' initiatives funded by the Rough Sleepers Accommodation Programme (RSAP).

Sep 22 saw the launch of the Government's updated Rough Sleeping strategy. This was combined with confirmation of funding for 3 years instead of one for many of our services, starting from April 22. This presented the prospect of more sustainable funding for the work we do but was coupled with the uncertainty of many of services being subject to formal retendering after 31Mar23.

At the time of writing the effects of the very large increases in fuel costs and the general high inflation environment are beginning to be seen: the number of rough sleepers is increasing, the people we support in accommodation are having to choose heating or eating. SPEAR itself is facing significant increases in costs, including staffing, that are not funded.

None of our work this year would have been possible without tremendous support from Local Authorities, commissioners, supporters, funders and volunteers – we would like to thank them all.

Both of us are regularly reminded of the vital nature of the work that SPEAR undertakes and the opportunities it provides to the people we work with, through a mixture of commissioned and fundraised services. There are many, individual stories at SPEAR; one which illustrates wonderfully well the type of work we do, is that of Jess.

Jess had been subject to extreme violence and was targeted in her home after reporting the crimes. Scared for her life she became homeless. Several years of life on the streets led to drug usage. Following an arrest, she was linked to a programme to quit drugs and found accommodation at SPEAR's accommodation for women.

"It was warm, comfortable and welcoming. My workers gave me lots of support and they felt like friends, people I could trust and talk to about anything. I hadn't done well at school and they helped me pass an English qualification, then a course on Health and Social Care because I like caring for people."

SPEAR Housing Association Limited

Message from the Chair and CEO

For the year ended 31 March 2022

Jess started volunteering to help other SPEAR clients with their health needs. She then took an opportunity to join SPEAR's six-month Peer Mentoring course which she successfully completed. She explained that

"You got to experience working one on one with a client, which helps you get ready for employment. You feel more confident because you know what to do."

Jess's volunteering continued after she had completed the course and when a job came up in SPEAR's peer mentoring team, she was ready for employment. Today she is employed in a full-time role supporting clients to sustain their tenancies, where her lived experience is invaluable.

The factors that lead to people sleeping rough persist. In the year and years ahead SPEAR will continue to adapt and respond equally to challenges and opportunities so that we continue to meet this important need.

Paul Doe, Chair of Trustees

Tim Fallon, CEO

Trustees' Report

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

Reference and administrative information set out on pages 1 and 2 forms part of this report. The financial statements comply with current statutory requirements, the memorandum and articles of association and the Statement of Recommended Practice – Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with FRS 102.

Objectives and activities

The objectives of the charity are:

- The relief of persons in need who are homeless or at risk of becoming homeless, including, but not limited to, those with substance misuse problems by providing accommodation, services and advice so as to help increase the independence and decrease the marginalisation in society of such persons; and
- To undertake research into homelessness for the public benefit.

The trustees review the aims, objectives, and activities of the charity regularly. 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 have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning its future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives that have been set.

The charity's main activities and who it tries to help are described below. All its charitable activities focus on homeless individuals and are undertaken to further SPEAR's charitable purposes for the public benefit. It is not considered that there are any private benefits or significant detrimental impact from its work. The trustees consider that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to public benefit guidance.

Our Approach and Values

SPEAR is a charity for people experiencing homelessness in South West London.

We build communities in which those people suffering from homelessness have a place to call home and the help they need to lead a fulfilling independent life.

We recognise that homelessness is much more than just a housing issue, so we provide a range of support services to help our clients reach their full potential, always operating from our values:

Working together: We work alongside service users, partners, staff, and volunteers to design and provide services that meet the needs of those experiencing homelessness. Together we overcome challenges.

Aspirational: We aim high, aspiring to achieve the very best outcomes for our clients. We see potential in everyone, and encourage our clients to achieve their own goals, dreams, and ambitions. We aspire to the highest standards of professionalism.

Respectful: We respect everyone, regardless of their background or circumstances. We view everyone as an individual with their own personal journey. We always listen to and value people's views.

Determined: We work tirelessly to support people experiencing homelessness to recover from their personal issues. We break down the barriers they face.

Visionary: We try new and innovative ways to provide long-term solutions and reduce the isolation of homelessness. We are always willing to take a new approach, learning from what works (and what doesn't) and use this to guide our work.

Diversity, inclusion and equity

Diversity, inclusion and equity are at the heart of what SPEAR does and it is important that all people representing our organisation including staff, volunteers and peer mentors represent SPEAR's values in this area. We are committed to ensuring that our services are accessible and reach all members of the communities we serve and that all our clients are treated fairly and respectfully. Where possible, we record information around the diversity of our clients on our database so we can better understand the demographics of the community we are working with and adapt our services accordingly. We have an open complaints process that can be accessed by clients and volunteers who wish to raise any concerns.

SPEAR is an inclusive employer. We are committed to maintaining a culture of diversity, inclusion and equity. We do not tolerate discrimination, harassment or victimisation. Everyone we work with is treated equally and with respect, irrespective of race, colour, religion, national origin, sex, disability, age, marital status or sexual orientation

Our Beneficiaries

SPEAR is an inclusive organisation supporting a range of people experiencing homelessness in South West London. We work with young people, aged 16 – 25 and adult men and women, including women who have experienced domestic abuse. We support people off the streets and those at imminent risk of homelessness into accommodation, including supported hostels, shared houses, and independent flats. We assist people with their physical and mental health, addiction issues and their skills, education, and employment – helping them sustain their tenancies, pursue personal goals and aspirations, and move towards more independent living.

The 16 almshouses and 8 flats owned by the SPEAR Endowment Trust (SET) provide long term homes for those whose financial circumstances necessitate assistance with their housing, normally older individuals with a connection to London or the surrounding area.

Our clients are at the centre of our work and the Service Involvement Group, who meet regularly is just one of the ways that SPEAR collects feedback upon its services. A Client Satisfaction Survey undertaken in March–May 2021 contacted 577 clients of whom 142 completed the survey. Getting in touch with so many people would not have been possible without the incredible help of our volunteers. The survey showed that 88% of respondents were happy with the overall services SPEAR supports them with. In terms of improving SPEAR's services, participants suggested better access to counselling and more mental health training for staff. Areas that SPEAR will seek to develop further in the future.

SPEAR encourages people to train as accredited Peer Mentors in order to support and help others with some clients volunteering and others progressing into employment at SPEAR and elsewhere.

Achievements and Performance

Our key impacts on homelessness in 2021–22:

2020/21 was an exceptional year because of COVID and its impact on homelessness; in a number of areas of activity levels and performance have returned to more usual levels in 2021/22.

1,006 (2021: 1,017) people accessed SPEAR's services

- 198 people or 20% were female (2021: 19%)

- 94 people or 9% (2021: 14%) were under the age of 25

Providing Housing:

- We worked with 476 (2021: 686) verified rough sleepers across 4 boroughs
- We provided supported housing for 286 (2021: 200) people and
- Brokered accommodation for another 216 (2021: 307) people.
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Improving Health:

- We supported over 247 people (2021: 81) to improve their health.
- 51 people registered with a GP (2021: 144)
- We reduced the use of emergency health services such as A&E attendances by 54% (2021: 45%) amongst the clients with whom we worked.

Women's Services:

- We provided supported housing tenancies to 13 women (2021: 32)

Young People's Services:

- 5 (2021: 48) young people were supported into education, training, and employment

Community Development and Innovation:

- We supported 200 (2021: 257) homeless people to develop their skills
- 20 (2021: 34) people gained employment
- 140 (2021: 108) people have engaged in pre-employment training
- 39 (2021: 75) people contributed to their local community through volunteering

During the year the work of the Homeless Health Link team was externally evaluated and reported upon. Two extracts from the report illustrate the nature and impact of the work.

"I've been [with HHLS] for about four, maybe five months now. In that short amount of time, I've had the most help I've ever had in the past 10 years." (HHLS Client)

"I think when the client realises they've actually got someone in their life, who is interested in seeing them improve their health, their physical and mental health. And that's like the sole motive of that person, I think they really respond well to that ... we get to see them build their confidence. At first, they tend to be in very severe depression, very nervous but over the months, we see them build up their confidence as they get to trust us and start getting their lives together. It's good to see clients gaining confidence in getting back in control." (HHLS Staff)

Our Volunteers

The generosity of our volunteers with their time continues to make our work stronger. Their breadth of skills significantly enhances the services that SPEAR is able to provide to its clients. Volunteer roles during the financial year included: peer mentor volunteering support, fundraising support, volunteer drivers, befriending/mentoring, outreach volunteers, digital mentoring, clothing pop up, and a range of skills training, including cooking. We also had incredible valuable professional support, including: communications, health services and property maintenance – all from individuals offering their expertise and skills.

SPEAR also worked with a number of corporate partners on corporate volunteering days where teams brought their energy, enthusiasm and skills to a range of tasks including decorating at supported housing and rejuvenating gardens. Their recognition of the social importance of work with those who have experienced homelessness is encouraging and we seek to forge longer term relationships to further benefit SPEAR's clients.

Additionally, our Trustees continued to provide expertise and governance throughout the financial year.

- 126 people (2021: 120) volunteered their time to support in some capacity.
- Volunteers donated 3,997 (2021: 1,895) hours of their time.
- We estimate that volunteering roles contributed over £44,175 (2021: £ 31,514) of value to SPEAR.

All our volunteers have added real value to the work that SPEAR was able to undertake and ensured that clients had a wider range of opportunities than could be offered solely through the provision of local authority commissioned services, for that and their generosity of time we are very grateful.

Our Supporters

We would like to thank all our supporters who made donations to SPEAR during 2021/22 including those who left us a gift in their will. As a charity we are reliant on voluntary contributions to support our work and we remain truly grateful to all our supporters for their continued generosity.

It is through this generosity that we are able to provide the life enhancing experiences for our clients, adding value to our statutory services. Voluntary income has come from a wide range of supporters including local schools and faith groups, local community groups, active members of our communities who have taken part in sponsored events such as bike rides and marathons, generous donors who give cash gifts as well as regular standing

orders, trusts and foundations as well as through the generosity of our corporate partners. You have all been truly amazing and made a huge difference to people's lives – thank you.

Financial review

SPEAR reported a net surplus in the year of £ 195,666 (2021: £ 239,698).

Total incoming resources for the year increased to £ 5,406,699 from £ 5,115,330, an increase of 5% (2021: increase 26%).

In summary, income comprises:

- 55% (2021: 54%) commissioned services from London Boroughs of Richmond, Wandsworth, Kingston, Sutton and Merton;
- 12% (2021: 11%) from Trusts for specific related homeless services;
- 28% (2021: 25%) from rent, service charge and housing benefit income on housing, hostels and supported housing;
- 5% (2021: 10%) from donations, legacies and events organised by our fundraising team;
- less than 1% (2021: 1%) bank and investments interest receivable.

Unrestricted income for the year increased to £ 4,815,330 from £ 4,077,502 last year, an increase of 12%. This arose principally from the increase in rent and service charge income from supported housing schemes where additional properties had been brought into management.

Restricted income for the year decreased to £ 591,369 from £ 639,656 last year, a decrease of 8%. The previous year had benefited from high levels of COVID grants, the funding for this additional expenditure available in the year ended 31 March 2022 was lower and was a main factor in the decrease.

Our expenditure for the year increased to £ 5,211,033 from £ 4,915,632 last year, an increase of £ 295,401 or 6%. Staff costs represented 67% (2021: 68%) of expenditure, with average headcount decreasing to 98 from 101.

Analysis of our expenditure shows that we spent 70% (2021: 69%) on charitable activities, 25% (2021: 25%) on support costs, 4% (2021: 5%) on fundraising, and 1% (2021: 1%) on governance.

This increase in expenditure reflects growth with increased activity and continuous support for established housing schemes and rough sleeper services which operate across South West London.

Total funds increased by 3% to £ 7,739,181 from £ 7,543,515.

Cash and cash equivalents – Total cash and cash equivalents at 31 March 2022 totalled £ 6,666,711 (2021: £ 6,152,353). £ 478,815 was generated from operating activities (2021: £ 438,411), £ 8,717 (2021: £ 29,000) was spent on capital expenditure and £43,437 of realised investments acquired in the previous year, lead to a net increase in cash and cash equivalents of £ 514,359 (2021: £ 369,979).

Reserves policy and going concern

Trustees have examined the requirement for free reserves i.e. unrestricted funds not invested in tangible fixed assets or designated for specific purposes. As reported in previous years, the Trustees are aiming at free reserves to cover operational activities from unrestricted income for at least 3 months, moving to 6 months over time. As of 31 March 2022, the unrestricted general reserves, totalled £ 1,699,055 which represents approximately 3.9 months of expected average expenditure (at 31 March 2021: unrestricted general funds were £1,466,227, being approximately 3.4 months of expected average spend).

At 31 March 2022 the Company had designated reserves as follows:

- Future property cyclical maintenance to cover obligations totalling £ 1,129,972 (2021: £ 1,129,972). The required sums are reviewed annually based on potential planned repairs and renewals.
- An amount of £ 953,691 (2021: £ 953,691), designated to cover the legal and refurbishment costs of property acquisition which cannot be funded under the terms of the restricted endowment fund. SPEAR intends to expend these funds over the medium term.

The Reserves Policy is reviewed annually by the Audit and Risk Committee and approved by the Trustees.

Restricted Funds may only be used for the purposes specified by the donor and only expenditure meeting these criteria is allocated to each fund. Any grants which remain unspent at the year-end will be held as restricted reserves subject to any specific funding terms attached to the grants. These may only be used for the projects in accordance with the terms of the grants received.

SPEAR Endowment Trust

During 2018, Quintus Housing Trust became part of the SPEAR family, changing its name to the "SPEAR Endowment Trust" (SET). SET's financial results are included in the SPEAR accounts since the year ended 31 March 2019.

At 31 March 2022 the Endowment Fund amounted to £ 3,956,463 (31 March 2021: £ 3,976,260). £1,236,646 of this is held in the 24 properties owned by SET with the balance held as cash. The cash funds will enable us to seek out potential property acquisitions within South-West London to provide much needed accommodation for our service users and /or bases from which to operate.

Over the medium-term SPEAR intends to supplement the endowment with a capital appeal, grants and loans to enable it to buy more properties than with the endowment alone.

Principal risks and uncertainties

SPEAR has an approach to risk management designed to ensure that there is an on-going process for identifying, evaluating and managing the significant risks faced by SPEAR. Risks are assessed for their likelihood and potential impact and the Audit & Risk Committee and Board focuses their work on those risks which are identified as most significant. For all of these risks the potential to mitigate risk is considered and where proportionate, action is taken. A wide variety of strategies are used to mitigate risk through appropriate policies and procedures, spreading risk through sufficient diversity of activity and funders and seeking to lay off risk through insurance.

Principal Risks during the year were identified as:

Staff fail to adhere to policies and procedures: SPEAR's policies and procedures have been designed to ensure that clients are safe and their support personalised, that their data is secure and that staff provide services in a professional manner that protects their own, clients, volunteers and members of the public's health and safety. The risk of staff failing to follow these procedures appropriately is that there are poor outcomes which could place clients, volunteers, donors, members of the public or staff at risk. SPEAR seeks to mitigate these risks through ensuring that it has appropriate skills, the publication of policies and procedures and the induction and training of staff.

Risk of loss of contractual income: Contractual income to support the provision of services for the homeless can vary as strategic priorities change and services can be subject to tendering. The risk of the changing priorities is that if SPEAR fails to adapt its services on a timely basis it could incur additional costs and not fully meet commissioning requirements. SPEAR seeks to mitigate these risks by aiming to have

an agile culture and sustain good relationships with its key commissioners and funders.

Risk of financial deficits threatening the financial sustainability of SPEAR: SPEAR delivers a range of commissioned services that offer little if any scope for generating financial surpluses. It is exposed to the same operating environments as other organisations including high inflation. It benefits from having gained financial strength when SPEAR Endowment Trust joined the group, but much of this financial strength is either restricted to providing homes in accordance with the Trust deed or will be required to maintain the existing almshouses and housing. However, longer financial deficits over a number of years could put the long term future of SPEAR at risk. SPEAR seeks to mitigate these risks by keeping the financial performance of contracts and the organisation under regular review as well as assessing the financial impact of taking on new services.

Difficulty in recruiting and retaining staff: The nature of most of SPEAR's services is they are heavily dependent upon recruiting and retaining staff able to problem solve and work in some challenging situations. Recruitment of staff in London is difficult for many organisations beyond those working in social care, a sector whose funding does not enable particularly competitive salaries. The risk of difficulties in recruiting and retaining is that existing staff teams are stretched, services become reliant upon expensive temporary staff which in turn impacts both the financial performance and quality of services. SPEAR seek to mitigate these risks through the work of its Human Resources team and by seeking innovative ways to recruit.

Fundraising practices review

All fundraising practices are framed within the values and principles of the organisation. SPEAR regularly monitors fundraised income against budget, diversity of income and fundraising ratios to ensure the organisation is able to make informed decisions regarding activities.

SPEAR does not raise funds through telephone or door to door fundraising or work with external agencies to do so. SPEAR's relationship with its supporters is very important to it and it does not put any undue pressure on its supporters to donate to the charity. Many of SPEAR's supporters want to know how their gifts are making a difference. SPEAR ensures that supporters are given a choice in whether they would like to be kept updated about its work. If any of SPEAR's donors do not wish to receive future communication from SPEAR then it is made clear in supporter newsletters, mailings and on SPEARs website how they can let SPEAR know their decision. SPEAR does not sell or exchange lists of data with any other charities or companies for their marketing or fundraising purposes. SPEAR is committed to being transparent about how it collects and uses personal data, and to

meeting its data protection obligations in accordance with General Data Protection Regulations (GDPR) and domestic laws, SPEAR's privacy statement can be found on its website.

We received no complaints about our fundraising practices in 2021–22.

Plans for the future

- SPEAR intends to carry on adapting the nature of its services in line with the Government's Strategy for Rough Sleepers, which will aim to work in tandem with both existing rough sleepers and preventative work for those at risk of homelessness.
- SPEAR will seek to further expand its services offered under Housing First which looks to ensure that Rough Sleepers are accommodated in self contained homes with all the necessary support to address any underlying issues, that may be complex, that lead to rough sleeping.
- Acquiring properties to provide more independent accommodation to homeless people, including use of the endowment and designated funds to acquire and /or renovate appropriate properties, which should also further strengthen the financial viability of SPEAR.
- Look to secure longer term funding with partners for the preventative health services offered by SPEAR, which have been developed with the support of fundraising grants.
- Further develop the work evidencing the continuous improvement of quality of services provided by SPEAR.
- Broaden the range of opportunities in activities, training, volunteering and employment available to SPEAR clients so they can personalise their involvement with SPEAR with the support of fundraising partners.
- Continue to review how evolving technology can best improve service delivery and the efficient management of the charity.

Structure and governance

The organisation is a charitable company limited by guarantee, incorporated on 11 October 2007 and registered as a charity on 7 January 2008.

The company was established under a memorandum of association which established the objects and powers of the charitable company and is governed under its articles of association.

At the year end the Board comprised of 12 members. No trustees received remuneration for their roles or were paid for any other activity relating to the charity in the year.

The Board is supported in discharging these responsibilities through the following sub-committees:

- Audit and Risk Committee.
- Personnel & Quality Assurance Committee; and
- Operations Committee

This facilitates a greater depth of governance across all key areas of the charities activities, finances and internal infrastructure, policies and procedures.

Overall operational management of SPEAR is delegated to the Chief Executive. Throughout the year, the trustees, the Chief Executive, and the wider Senior Management Team monitored effectiveness and best practice. The Board approves SPEAR's strategic and annual business plans; annual budgets; extraordinary expenditure in excess of agreed limits; strategic decisions; policies; employment terms and conditions, remuneration levels of key management personnel with reference to existing pay scales within the organisation and the housing sector in which SPEAR operates; and all decisions relating to governance.

All trustees give their time voluntarily and receive no benefits from the charity. No expenses were reclaimed from the charity during the year.

Appointment of trustees

New trustees are recruited through advertising with the objective of ensuring an appropriate mix of skills, and candidates are asked to attend an interview with the Chair and another trustee. Trustees have agreed that future trustee recruitment will aim to increase diversity within the Board. During the year no new Trustees were appointed (year end 31 March 2021: none).

Trustee induction and training

On appointment, all Trustees undergo a formal induction process and training needs of trustees are reviewed regularly with a view to ensuring that trustees are kept up to date with their responsibilities.

Serious Incident Reporting to the Charity Commission

SPEAR's work with clients, some of whom can be vulnerable, is intended to enable any underlying issues that are contributing to their homelessness to be addressed. However, not all clients achieve good outcomes. Where there has been an incident or an adverse outcome this is recorded and is reviewed by senior staff and trustees. Consideration is given as to whether the circumstances require reporting to the Charity Commission. There were no serious safeguarding incidents that required reporting in the year. Nor were there any other incidents to report to the Charity Commission, as there has been: no loss of

money or assets; no large donations from an unknown or unverifiable source; no links to terrorism or extremism; no damage to property.

Related parties and relationships with other organisations

SPEAR maintains no relations with, and no transactions were entered into with, related parties during the year 2021/22, with the exception of SET/Quintus Housing Trust as explained above.

Remuneration policy

Pay and remuneration of the charity's key management personnel is set according to SPEAR's Remuneration Policy and Procedure, which applies to all employees, is regularly reviewed following external expert advice. The policy includes a pay scale, controls for pay increases and bonuses, and benchmarking with comparable roles. All staff are paid at least the London Living Wage.

Funds held as custodian trustee on behalf of others

The charity holds no funds on behalf of others as custodian.

Statement of responsibilities of the trustees

The trustees (who are also directors of SPEAR for the purposes of company law) are responsible for preparing the trustees' annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

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

- Select suitable accounting policies and then apply them consistently
- Observe the methods and principles in the Charities SORP
- Make judgements and estimates that are reasonable and prudent
- State whether applicable UK Accounting Standards and statements of recommended practice 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 charity will continue in operation

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

In so far as the trustees are aware:

- There is no relevant audit information of which the charitable company's auditors are unaware
- The trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Members of the charity guarantee to contribute an amount not exceeding £1 to the assets of the charity in the event of winding up. The total number of such guarantees at 31 March 2022 was 12 (2021:12). The trustees are members of the charity but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

Auditor

Sayer Vincent LLP was re-appointed as the charitable company's auditor during the year and has expressed its willingness to continue in that capacity.

The trustees' annual report has been approved by the trustees on 12 December 2022 and signed on their behalf by:



Paul Doe
Chair of trustee

Independent auditor's report

To the members of

SPEAR Housing Association Limited

Opinion

We have audited the financial statements of SPEAR Housing Association Limited (the 'charitable company') for the year ended 31 March 2022 which comprise the statement of financial activities, balance sheet, statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- Give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure for the year then ended
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- Have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Independent auditor's report

To the members of

SPEAR Housing Association Limited

Other Information

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- The information given in the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- The trustees' annual report, including the strategic report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

Independent auditor's report

To the members of

SPEAR Housing Association Limited

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities set out in the trustees' annual report, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud are set out below.

Capability of the audit in detecting irregularities

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

- We enquired of management and the Finance Committee, which included obtaining and reviewing supporting documentation, concerning the charity's policies and procedures relating to:
 - Identifying, evaluating, and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected, or alleged fraud;
 - The internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations.
- We inspected the minutes of meetings of those charged with governance.

Independent auditor's report

To the members of

SPEAR Housing Association Limited

- We obtained an understanding of the legal and regulatory framework that the charity operates in, focusing on those laws and regulations that had a material effect on the financial statements or that had a fundamental effect on the operations of the charity from our professional and sector experience.
- We communicated applicable laws and regulations throughout the audit team and remained alert to any indications of non-compliance throughout the audit.
- We reviewed any reports made to regulators.
- We reviewed the financial statement disclosures and tested these to supporting documentation to assess compliance with applicable laws and regulations.
- We performed analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments, assessed whether the judgements made in making accounting estimates are indicative of a potential bias and tested significant transactions that are *unusual* or those *outside the normal course of business*.

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

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

Use of our report

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

Noelia Serrano (Senior statutory auditor)

16 December 2022

for and on behalf of Sayer Vincent LLP, Statutory Auditor
Invicta House, 108-114 Golden Lane, LONDON, EC1Y 0TL

SPEAR Housing Association Limited

Statement of financial activities (incorporating income and expenditure account)

For the year ended 31 March 2022

	Note	SPEAR		SPEAR Endowment Trust		2022 Total £	2021 Total £
		Unrestricted £	Restricted £	Unrestricted £	Restricted £		
Income from:							
Donations and legacies	3	249,539	-	-	-	249,539	411,834
Charitable activities	4	4,564,987	591,369	-	-	5,156,356	4,739,758
Investments	5	804	-	-	-	804	3,738
Total income		4,815,330	591,369	-	-	5,406,699	5,155,330
Expenditure on:							
Raising funds	6	291,570	-	-	-	291,570	240,171
Charitable activities	6	4,290,932	608,734	-	19,797	4,919,463	4,675,461
Total expenditure		4,582,502	608,734	-	19,797	5,211,033	4,915,632
Net income / (expenditure) for the year	7	232,828	(17,365)	-	(19,797)	195,666	239,698
Net movement in funds		232,828	(17,365)	-	(19,797)	195,666	239,698
Reconciliation of funds:							
Total funds brought forward		3,549,890	17,365	-	3,976,260	7,543,515	7,303,817
Total funds carried forward		3,782,718	-	-	3,956,463	7,739,181	7,543,515

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 15 to the financial statements.

SPEAR Housing Association Limited

Balance sheet

Company no. 06396687

As at 31 March 2022

	Note	£	2022 £	£	2021 £
Fixed assets:					
Tangible assets	10		1,258,936		1,289,969
Investments			3,640		47,097
			<u>1,262,576</u>		<u>1,337,066</u>
Current assets:					
Debtors	11	725,083		1,159,698	
Short term deposits		2,874		4,049	
Cash at bank and in hand		6,663,838		6,148,305	
		<u>7,391,795</u>		<u>7,312,051</u>	
Liabilities:					
Creditors: amounts falling due within one year	12	(915,190)		(1,105,602)	
Net current assets			<u>6,476,605</u>		<u>6,206,449</u>
Total assets less current liabilities			<u>7,739,181</u>		<u>7,543,515</u>
Total net assets			<u><u>7,739,181</u></u>		<u><u>7,543,515</u></u>
The funds of the charity:	14				
Restricted income funds			-		17,365
Endowment fund			3,956,463		3,976,260
Unrestricted income funds:					
Designated funds					
Designated general funds – planned maintenance		1,127,752		1,129,972	
Designated general funds – property development		953,691		953,691	
General funds		<u>1,701,275</u>		<u>1,466,227</u>	
Total unrestricted funds			<u>3,782,718</u>		<u>3,549,890</u>
Total charity funds			<u><u>7,739,181</u></u>		<u><u>7,543,515</u></u>

Approved by the trustees on 12 December 2022 and signed on their behalf by:



Paul Doe
Chair of Trustees

SPEAR Housing Association Limited

Statement of cash flows

For the year ended 31 March 2022

Reconciliation of net income to net cash flow from operating activities

	2022	2021
	£	£
Net income for the reporting period (as per the statement of financial activities)	195,666	239,698
Depreciation charges	39,750	45,467
Dividends, interest and rent from investments	(804)	(3,738)
Decrease / (Increase) in debtors	434,615	(562,533)
(Decrease) / Increase in creditors and deferred income	(190,412)	719,546
Net cash provided by/(used in) operating activities	478,815	438,441

	Note	2022		2021	
		£	£	£	£
Cash flows from operating activities					
Net cash provided by operating activities			478,815		438,441
Cash flows from investing activities:					
Dividends, interest and rents from investments		804		3,737	
Disposals / (additions) to investments		43,457		(43,457)	
Additions to fixed assets		(8,717)		(28,742)	
Net cash provided by / (used in) by investing activities			35,544		(68,462)
Change in cash and cash equivalents in the year			514,359		369,979
Cash and cash equivalents at the beginning of the year			6,152,353		5,782,374
Cash and cash equivalents at the end of the year	16		6,666,712		6,152,353

Notes to the financial statements

For the year ended 31 March 2022

1 Accounting policies

a) Statutory information

SPEAR Housing Association is a charitable company limited by guarantee and is incorporated in England and Wales.

The registered office address and principal place of business is 89 Heath Road, Twickenham, Middlesex, TW1 4AW

b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) – (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

These accounts consist of the accounts of SPEAR Housing Association Limited and the SPEAR Endowment Trust (previously known as Quintus Housing Trust), charity number 1122206-1, an unincorporated charity. The Charity Commission issued a linking direction for the two charities in 2018. As a result of the linking direction, comparative information for SPEAR Housing Association Limited and the SPEAR Endowment Trust have been combined from the year-ended 31 March 2019 and have been restated as if the linking direction has always been in existence.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy or note.

c) Public benefit entity

The charitable company meets the definition of a public benefit entity under FRS 102.

d) Going concern

The trustees consider that there are no material uncertainties about the charitable company's ability to continue as a going concern.

The trustees do not consider that there are any sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period.

e) Income

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the income have been met, it is probable that the income will be received and that the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Income received in advance of the provision of a specified service is deferred until the criteria for income recognition are met.

Rental Income and service charges are recognised on a receivable basis in the period to which it relates, net of any losses from voids and bad debts for arrears.

f) Interest receivable

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

g) Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classified under the following activity headings:

- Costs of raising funds relate to the costs incurred by the charity in encouraging third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose
- Expenditure on charitable activities includes the costs of delivering services undertaken to further the purposes of our charity and their associated support costs

Irrecoverable VAT is charged as a cost against the activity for which the expenditure was incurred.

h) Allocation of support costs

Resources expended are allocated to the particular activity where the cost relates directly to that activity. The cost of overall direction and administration of each activity, comprising the salary and overhead costs of the central function, is apportioned on the following basis which are an estimate, based on staff time, of the amount attributable to each activity.

i) Governance costs

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. Governance costs are apportioned on the basis of staff time attributable to each activity, as outlined above.

j) Fund accounting

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes.

Endowment funds can be used solely for the specific purpose of property acquisition

Notes to the financial statements

For the year ended 31 March 2022

1 Accounting policies (continued)

k) Operating leases

Rental charges are charged on a straight line basis over the term of the lease.

l) Tangible fixed assets

Items of equipment are capitalised where the purchase price exceeds £1,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use. Land is not depreciated.

Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation rates in use are as follows:

▪ Buildings and Property components – Almshouses and Housing	8–75 years
▪ Fixtures & Fittings	3 years
▪ Computers & Equipment	3 years

m) Debtors

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

n) Cash at bank and in hand

Cash at bank and cash 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. Cash balances exclude any funds held on behalf of service users.

o) Creditors and provisions

Creditors and provisions 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 and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

p) Financial instruments

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

q) Pensions

The pension contributions are paid into Group Personal Pension Plans on behalf of all eligible employees who elect to have such a pension arrangement. This is an individual defined contribution arrangement. The charity's liability is limited to the employer's contributions.

2 Statement of financial activities (Incorporating income and expenditure account) – Prior Year

	SPEAR		SPEAR Endowment Trust		2021 Total £
	Restated Unrestricted £	Restated Restricted £	Unrestricted £	Restricted £	
Income from:					
Donations and legacies	411,834	-	-	-	411,834
Charitable activities	4,100,102	639,656	-	-	4,739,758
Investments	3,738	-	-	-	3,738
Total income	4,515,674	639,656	-	-	5,155,330
Expenditure on:					
Raising funds	240,171	-	-	-	240,171
Charitable activities	3,995,901	660,041	-	19,519	4,675,461
Total expenditure	4,236,072	660,041	-	19,519	4,915,632
Net income for the year	279,602	(20,385)	-	(19,519)	239,698
Net movement in funds	279,602	(20,385)	-	(19,519)	239,698
Reconciliation of funds:					
Total funds brought forward	3,270,288	37,750	-	3,995,779	7,303,817
Total funds carried forward	3,549,890	17,365	-	3,976,260	7,543,515

3 Income from donations and legacies

	Unrestricted	Restricted	2022 Total	Unrestricted	Restricted	2021 Total
	£	£	£	£	£	£
Legacies	2,130	-	2,130	9,622	-	9,622
Donations	247,409	-	247,409	402,212	-	402,212
	<u>249,539</u>	<u>-</u>	<u>249,539</u>	<u>411,834</u>	<u>-</u>	<u>411,834</u>

4 Income from charitable activities

	Unrestricted	Restricted	2022 Total	Restated Unrestricted	Restated Restricted	2021 Total
	£	£	£	£	£	£
Rents and service charges - Supported housing and hostels	1,321,043	-	1,321,043	1,034,102	-	1,034,102
Rents and service charges - SET Housing and almshouses	218,646	-	218,646	203,574	-	203,574
Supported Service Contracts:						
LB Kingston	422,425	-	422,425	496,602	-	496,602
LB Merton	152,193	-	152,193	113,072	-	113,072
LB Richmond	1,171,805	-	1,171,805	1,124,947	-	1,124,947
LB Sutton	328,617	-	328,617	416,513	-	416,513
LB Wandsworth	914,203	-	914,203	649,756	-	649,756
Grants:						
Coronavirus Job Retention Scheme (furlough scheme)	-	-	-	38,936	-	38,936
COVID grants	36,054	-	36,054	-	-	-
Hampton Fund	-	5,000	5,000	-	12,250	12,250
Heathrow Community Trust (COVID)	-	-	-	-	7,500	7,500
Homelessness Reponse Fund (COVID)	-	-	-	-	99,740	99,740
London Funders Community Trust	-	-	-	-	5,000	5,000
QSix (formerly PMM)	-	50,000	50,000	-	35,417	35,417
Richmond Parish Lands Charity	-	24,188	24,188	-	31,400	31,400
Other	-	2,027	2,027	-	3,094	3,094
Sub total	4,564,987	81,216	4,646,202	4,077,502	194,400	4,271,903

Other ServicesCommunity Development and Innovation

Hampton Fund	-	18,750	18,750	-	23,125	23,125
The National Lottery Community Fund	-	61,000	61,000	-	-	-
The Drapers' Charitable Fund	-	15,000	15,000	-	-	-
Halcrow Foundation	-	11,250	11,250	-	-	-
Comic Relief	-	42,104	42,104	-	15,812	15,812
City Bridge Trust	-	11,250	11,250	-	31,037	31,037
29th May Charitable Trust	-	-	-	-	5,000	5,000
The Hobson Charity	-	5,000	5,000	-	-	-
Masons Middlesex	-	-	-	-	2,000	2,000
Other	-	137	137	-	500	500
John Laing Charitable Trust	-	-	-	-	23,000	23,000
The Steel Charitable Trust	-	5,000	5,000	-	-	-
Streetsmart	-	-	-	-	-	-
The Albert Hunt Trust	-	5,000	5,000	-	-	-
Heathrow Community Trust	-	1,001	1,001	-	9,005	9,005
Postcode Community Trust	-	-	-	-	-	-
Garfield Weston Foundation	-	-	-	-	10,000	10,000
The Berkeley Charitable Foundation	-	15,119	15,119	-	15,120	15,120
Sub total	-	190,611	190,611	-	134,599	134,599

Homeless Health Link Service

The National Lottery Community Fund	-	172,640	172,640	-	125,406	125,406
Sub total	-	172,640	172,640	-	125,406	125,406

Volunteering

Hampton Fund	-	26,250	26,250	-	13,125	13,125
Sub total	-	26,250	26,250	-	13,125	13,125

4 Income from charitable activities (continued)

	Unrestricted £	Restricted £	2022 Total £	Restated Unrestricted £	Restated Restricted £	2021 Total £
Core Grants						
The Wimbledon Foundation and the London Community Foundation	-	33,125	33,125	-	50,000	50,000
Richmond Parish Lands Charity	-	42,875	42,875	22,600	25,375	47,975
The Albert Hunt Trust	-	7,000	7,000	-	-	-
Garfield Weston Foundation	-	25,000	25,000	-	-	-
Hampton Fund	-	-	-	-	5,000	5,000
Make Some Noise	-	-	-	-	55,000	55,000
Comasonic Benevolent Fund	-	-	-	-	4,000	4,000
The Berkeley Charitable Foundation	-	-	-	-	10,000	10,000
Heathrow Community Trust	-	2,500	2,500	-	2,500	2,500
City Bridge Trust	-	-	-	-	11,250	11,250
Other COVID (Wandsworth LA)	-	-	-	-	4,000	4,000
The Richmond Charities	-	5,000	5,000	-	5,000	5,000
Other	-	5,152	5,152	-	-	-
Sub total	-	120,652	120,652	22,600	172,125	194,725
Total income from charitable activities	4,564,987	591,369	5,156,356	4,100,102	639,656	4,739,758

5 Income from Investments

	Unrestricted £	Restricted £	2022 Total £	Unrestricted £	Restricted £	2021 Total £
Interest earned	804	-	804	3,738	-	3,738
	804	-	804	3,738	-	3,738

SPEAR Housing Association Limited

Notes to the financial statements

For the year ended 31 March 2022

6a Analysis of expenditure (current year)

	Client Services			Cost of raising funds £	Volunteer costs £	Governance Costs £	Support Costs £	2022 Total £	2021 Total £
	Supported Service contracts								
	SET Housing and Almshouses £	Health and Community Development £	Outreach, hostels and housing services £						
Staff costs (Note 8)	-	255,869	2,051,989	167,395	19,827	-	975,384	3,470,465	3,325,948
Premises Costs	82,903	3,994	950,227	1,016	203	-	215,041	1,253,384	1,037,720
Infrastructure Costs	323	15,238	82,614	3,469	296	-	103,279	205,219	202,762
Fundraising Costs	-	-	-	6,271	-	-	-	6,271	2,358
Client Costs	350	25,102	154,913	959	-	-	10,845	192,168	286,111
Other Direct Costs	-	23,061	5,521	-	-	54,943	-	83,525	60,733
	83,577	323,264	3,245,264	179,110	20,326	54,943	1,304,550	5,211,033	4,915,632
Support costs	49,581	85,294	1,055,717	107,795	6,164	-	(1,304,550)	-	-
Governance costs	2,459	3,691	43,861	4,665	267	(54,943)	-	-	-
Total expenditure 2022	135,616	412,249	4,344,841	291,570	26,757	-	-	5,211,033	4,915,632
Total expenditure 2021	177,503	329,089	4,143,894	241,907	23,238	-	-	-	4,915,632

SPEAR Housing Association Limited

Notes to the financial statements

For the year ended 31 March 2022

6b Analysis of expenditure (prior year)

	Client Services							2021 Total £
	Supported Service contracts			Cost of raising funds £	Volunteer costs £	Governance Costs £	Support Costs £	
Housing and Almshouses £	Health and Community Development £	Outreach, hostels and housing services £						
Staff costs (Note 8)	-	234,197	1,916,321	127,287	19,163	-	1,028,979	3,325,948
Premises Costs	118,236	3,112	793,436	1,267	247	-	121,421	1,037,720
Infrastructure Costs	6,822	9,734	105,761	5,718	473	-	74,253	202,762
Fundraising Costs	-	-	-	2,358	-	-	-	2,358
Client Costs	406	15,581	270,125	-	-	-	-	286,111
Other Direct Costs	-	-	-	-	-	60,733	-	60,733
	125,464	262,624	3,085,644	136,631	19,883	60,733	1,224,653	4,915,632
Support costs	48,763	62,280	1,011,818	98,648	3,144	-	(1,224,653)	-
Governance costs	2,418	3,089	50,179	4,892	156	(60,733)	-	-
Total expenditure 2021	176,645	327,993	4,147,641	240,171	23,183	-	-	4,915,632

SPEAR Housing Association Limited

Notes to the financial statements

For the year ended 31 March 2022

7 Net income (expenditure) for the year

This is stated after charging:

	2022 £	2021 £
Depreciation	39,750	45,467
Operating lease rentals:		
Property	535,666	512,875
Auditor's remuneration (excluding VAT):		
Audit	11,400	10,850
	<u>11,400</u>	<u>10,850</u>

8 Analysis of staff costs, trustee remuneration and expenses, and the cost of key management personnel

The charity trustees were not paid or received any other benefits from employment with the charity in the year (2021: £nil). No charity trustee received payment for professional or other services supplied to the charity (2021: £nil).

Staff costs were as follows:

	2022 £	2021 £
Salaries and wages	2,797,860	2,646,223
Social security costs	268,612	242,140
Employer's contribution to defined contribution pension schemes	69,760	67,594
Staff and volunteer Expenses	30,300	27,313
Contractors and temporary Staff	183,418	152,232
Coronavirus Job Retention Scheme (furlough scheme)	-	38,936
Provision for deferred staffing costs	-	84,319
Staff learning and development	32,659	13,139
Recruitment	52,528	29,640
DBS Checks	2,711	992
Redundancy and termination costs	6,250	-
Other forms of employee benefits	26,367	23,422
	<u>3,470,465</u>	<u>3,325,948</u>

The following number of employees received employee benefits (excluding pension contributions and employer's national insurance) during the year between:

	2022 No.	2021 No.
£60,000 – £69,999	-	2
£80,000 – £89,999	1	1
	<u>1</u>	<u>1</u>

The total employee benefits (including pension contributions and employer's national insurance) of the key management personnel were £ 317,759 (2021: £ 316,336).

SPEAR Housing Association Limited

Notes to the financial statements

For the year ended 31 March 2022

9 Staff numbers

The average number of employees (head count based on number of staff employed) during the year was follows:

	2022 No.	2021 No.
Supported Housing and Hostels	23	27
Supported Service Contracts	48	47
Operational Management	9	9
Central Support	12	12
Raising Funds	3	3
Trust Fundraising	1	1
Communications Manager	1	1
Volunteering	1	1
	98	101

10 Tangible fixed assets

	Land and buildings – Almshouses £	Land and buildings – Housing £	Fixtures & fittings £	Computer equipment £	Total £
Cost					
At the start of the year	502,849	1,107,737	114,456	53,175	1,778,217
Additions in year	2,220	–	–	6,497	8,717
Disposals in year	–	–	(65,342)	(570)	(65,912)
At the end of the year	505,069	1,107,737	49,114	59,102	1,721,022
Depreciation					
At the start of the year	193,006	165,367	97,377	32,498	488,248
Disposals in year	–	–	(65,342)	(570)	(65,912)
Charge for the year	10,440	9,357	15,623	4,330	39,750
At the end of the year	203,446	174,724	47,658	36,258	462,086
Net book value					
At the end of the year	301,623	933,013	1,456	22,844	1,258,936
At the start of the year	309,843	942,370	17,079	20,677	1,289,969

All of the above assets are used for charitable purposes.

11 Debtors

	2022 £	2021 £
Trade debtors	413,150	950,027
Other debtors	–	120
Staff Loans	2,084	3,025
Prepayments	75,477	80,607
Accrued income	234,372	125,919
	725,083	1,159,698

SPEAR Housing Association Limited

Notes to the financial statements

For the year ended 31 March 2022

12 Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	156,026	143,973
Payroll taxation and social security	142,175	-
Holiday pay provision	64,205	94,980
Other creditors and provisions	157,571	156,081
Accruals	243,675	156,108
Deferred income (Note 13)	151,538	554,460
	<u>915,190</u>	<u>1,105,602</u>

13 Deferred income

	2022 £	2021 £
Balance at the beginning of the year	554,460	83,500
Amount released to income in the year	(554,460)	(33,500)
Amount deferred in the year	151,538	504,460
Balance at the end of the year	<u>151,538</u>	<u>554,460</u>

Included in the above is £ 62,000 (2021: £ 262,803) relating to Amounts Invoiced in advance, and £ 89,538 (2021: £291,657) being deferred amounts on contracts with future performance obligations.

14a Analysis of net assets between funds (current year)

	Endowment £	Designated £	General unrestricted £	Restricted £	Total funds £
Tangible fixed assets	1,234,636	-	24,300	-	1,258,936
Investments	-	-	3,640	-	3,640
Net current assets	2,721,827	2,081,443	1,673,335	-	6,476,605
Net assets at the end of the year	<u>3,956,463</u>	<u>2,081,443</u>	<u>1,701,275</u>	<u>-</u>	<u>7,739,181</u>

14b Analysis of net assets between funds (prior year)

	Endowment £	Designated £	General unrestricted £	Restricted £	Total funds £
Tangible fixed assets	1,252,213	-	37,756	-	1,289,969
Investments	-	-	47,097	-	47,097
Net current assets	2,724,047	2,083,663	1,381,374	17,365	6,206,449
Net assets at the end of the year	<u>3,976,260</u>	<u>2,083,663</u>	<u>1,466,227</u>	<u>17,365</u>	<u>7,543,515</u>

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Notes to the financial statements

For the year ended 31 March 2022

15a Movements in funds (current year)

	At 1 April 2021 £	Income & gains £	Expenditure & losses £	At 31 March 2022 £
Restricted funds:				
Core charitable services	7,500	120,652	(128,152)	-
Volunteering	-	26,250	(26,250)	-
Supported Housing and services grants	7,065	81,216	(88,281)	-
Community Development & Innovation	2,800	190,611	(193,411)	-
Homeless Healthlink	-	172,640	(172,640)	-
Total restricted funds	17,365	591,369	(608,734)	-

	At 1 April 2021 £	Transfers between fund £	Income & gains £	Expenditure & losses £	At 31 March 2022 £
Unrestricted Funds					
Designated funds:					
Designated development fund	953,691	-	-	-	953,691
Cyclical maintenance fund	1,129,972	-	-	(2,220)	1,127,752
Total designated funds	2,083,663	-	-	(2,220)	2,081,443
General funds	1,466,227	-	4,815,330	(4,580,282)	1,701,275
Total unrestricted funds	3,549,890	-	4,815,330	(4,582,502)	3,782,718
Endowment Funds					
Property reinvestment (Almshouses)	1,194,966	-	-	(9,357)	1,185,609
Property reinvestment (Housing)	2,781,294	-	-	(10,440)	2,770,854
	3,976,260	-	-	(19,797)	3,956,463
Total funds	7,543,515	-	5,406,699	(5,211,033)	7,739,181

Movements in funds (continued)

Purposes of restricted funds

Homeless Health Link service

Grants from National Lottery Community Fund fund a service to improve the physical and mental health of people experiencing homelessness in Richmond and Kingston.

The Core Charitable Services

Grants as detailed in note 4 to pay for overheads including central services, head office, managing data and IT costs.

Volunteering

A grant from Hampton Fund funds a volunteering service in which volunteers are recruited, trained and supported in a range of roles throughout SPEAR.

Supported Housing Schemes:

- Sandycombe Road Supported Housing Scheme

This grant from the Richmond Parish Lands Charity funds a supported housing scheme in Richmond.

- Rosa House Supported Housing Scheme

A grant from Richmond Parish Lands Charity funds a supported housing scheme in Richmond.

- Ringwood Way Supported Housing Scheme

A grant from Hampton Fund funds a supported housing scheme worker.

Community Development Innovation

Grants as detailed in note 4 to fund work supporting young people and adults who are homeless to develop their confidence and life skills, to improve their wellbeing, to undertake training and education, and to secure employment.

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15b Movements in funds (prior year)

	At 1 April 2020 £	Income & gains £	Expenditure & losses £	At 31 March 2021 £
Restricted funds:				
Core charitable services	3,750	172,125	(168,375)	7,500
Volunteering	4,375	13,125	(17,500)	-
Supported Housing and services grants	17,000	194,400	(204,335)	7,065
Community Development & Innovation	12,625	134,599	(144,424)	2,800
Homeless Healthlink	-	125,406	(125,406)	-
Total restricted funds	37,750	639,656	(660,041)	17,365

	At 1 April 2020 £	Transfers between fund £	Income & gains £	Expenditure & losses £	At 31 March 2021 £
Unrestricted Funds					
Designated funds:					
Designated development fund	956,691	-	-	(3,000)	953,691
Cyclical maintenance fund	1,195,406	-	-	(65,434)	1,129,972
Total designated funds	2,152,097	-	-	(68,434)	2,083,663
General funds	1,118,191	-	1,714,784	(1,366,748)	1,466,227
Total unrestricted funds	3,270,288	-	1,714,784	(1,435,182)	3,549,890
Endowment Funds					
Property reinvestment (Almshouses)	1,204,045	-	-	(9,079)	1,194,966
Property reinvestment (Housing)	2,791,734	-	-	(10,440)	2,781,294
	3,995,779	-	-	(19,519)	3,976,260
Total funds	7,303,817	-	2,354,440	(2,114,742)	7,543,515

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16 Analysis of cash and cash equivalents

	At 1 April 2021 £	Cash flows £	At 31 March 2022 £
Cash at bank and in hand	6,148,305	515,533	6,663,838
Notice deposits (less than three months)	4,049	(1,175)	2,874
Total cash and cash equivalents	6,152,353	514,358	6,666,712

17 Operating lease commitments

The charity's total future minimum lease payments under non-cancellable operating leases is as follows for each of the following periods

	Property 2022 £	2021 £
Less than one year	277,851	442,282
One to five years	375,188	480,020
Over five years	36,048	83,548
	689,087	1,005,850

18 Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of winding up is limited to £1.

19 Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes.

20 Related Party Transactions

There are no related party transactions to disclose for this financial year (2021: none).

There are no donations from related parties which are outside the normal course of business and no restricted donations from related parties.