

3533224 (ENGLAND & WALES)

**LINKS - HOUSING ADVICE AND SUPPORT FOR YOUNG PEOPLE**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2002**



**LINKS - HOUSING ADVICE AND SUPPORT FOR YOUNG PEOPLE**

**FOR THE YEAR ENDED 31 DECEMBER 2002**

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## LEGAL AND ADMINISTRATIVE / COMPANY INFORMATION

<b>Company / Charity Name:</b>	Links Housing Advice and Support for Young People
<b>Other Name by which Charity is known:</b>	Links
<b>Company No.</b>	3533224 (England & Wales)
<b>Charity No.</b>	1069989
<b>Directors / Trustees:</b>	
Andy Moore	Chairperson
David McGregor Williams	Treasurer
Keda Norman	
Rachel Ogilvie	
Rosemary Theobalds	Vice-Chair
Malcolm J. Brodie	
<b>Company Secretary:</b>	Andy Moore
<b>Staff as at December 31<sup>st</sup></b>	
Co-ordinator	Monica Haigh
Accommodation Manager	Norman Young
Administrator	Melanie Hall
Financial Administrator	Debi Baxter
Employment Training Manager	Jacqui Farrell
<b>Registered Office:</b>	2 <sup>nd</sup> Floor 1 Meal Market Hexham, Northumberland NE46 1NF
<b>Reporting Accountant:</b>	Ribchesters Chartered Accountants 67 Sadler Street Durham DH1 3NP
<b>Bankers:</b>	HSBC plc Fore Street Hexham, Northumberland NE46 1LY
<b>Solicitors:</b>	Robert Lewis & Co. 3 Orchard Place Hexham, Northumberland NE46 1QQ

## **LINKS - HOUSING ADVICE AND SUPPORT FOR YOUNG PEOPLE**

### **TRUSTEES REPORT**

#### **FOR THE YEAR ENDED 31 DECEMBER 2002**

The Trustees (of the Charity), who are also Directors for the purpose of company law, present their report and the financial statements for the year ended 31st December 2002.

The company (also known as Links) was incorporated as a company limited by guarantee on March 24<sup>th</sup> 1998 and became a registered charity (No. 1069989) on June 10<sup>th</sup> 1998. It does not have a share capital.

The charitable company was established under a Memorandum Of Association, which defines the Charity's Objects and powers, and is governed under its Articles of Association. Under those Articles at each Annual General Meeting one third of the trustees shall retire by rotation but may offer themselves up for re-election.

#### **PRINCIPAL ACTIVITY**

The Company's charitable Objects are to:

- (a) *relieve the poverty and distress of young people who are suffering from the effects of homelessness or bad housing, or the threat of homelessness, particularly through a comprehensive housing aid and advice service; and*
- (b) *advance the education of the public about the needs of young people who are suffering from the effects of homelessness, bad housing or threatened homelessness; and*
- (c) *the relief of unemployment for the public benefit, in particular young people, in such ways as may be thought fit, including assistance to find employment*

The third Charitable Object (c) was added to the company's Memorandum and Articles of Association, having been passed by Special Resolution, on July 12<sup>th</sup> 2001, in order to accurately reflect the activities the company undertakes in relation to the provision of employment training services.

**The principal activity of the charitable company**, in meeting those Objects, is supporting young people aged 16-30 years, in Tynedale, in the transition to independent living. This is achieved through:-

- *Ensuring ease and equality of access to advice and information for young people on all issues relating to housing*
- *Access to a network of employment/training services*
- *The provision of emotional and practical support for young people*
- *The provision of safe, supported accommodation*
- *The improvement of housing options for young adults*
- *Raising awareness and changing attitudes in the community in order to achieve a wider recognition that young people have valid housing needs*
- *Educating young people on the issues of leaving home*

#### **BOARD OF TRUSTEES**

The Trustees who served during the year were as follows:

Andrew Peter Moore  
Malcolm James Brodie  
Keda Norman

Rachel Margaret Ogilvie  
Rosemary Eileen Theobalds  
David McGregor Williams

## **LINKS - HOUSING ADVICE AND SUPPORT FOR YOUNG PEOPLE**

### **TRUSTEES REPORT (continued)**

#### **FOR THE YEAR ENDED 31 DECEMBER 2002**

#### **RESPONSIBILITIES OF THE DIRECTORS / TRUSTEES**

Company law requires the Directors/Trustees to prepare financial statements for each financial year, which give a true and fair view of the state of the affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the Directors/Trustees are required to:-

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors/Trustees are responsible for keeping proper accounting records which disclose, with reasonable accuracy, at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985.

They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **RESULTS**

The results for the year ending 31<sup>st</sup> December 2002 and the financial position of the company are as shown in the annexed Financial Statements.

#### **OTHER FINANCIAL:**

In the summer of 2002, the Trustees were faced with a serious financial situation. The long-term funding of the charitable company was, and is, inextricably linked to the development of the Young People's Centre. This project, in partnership with Nomad Housing Group, began in 1998 with the objective of establishing a dedicated building on a reclaimed, semi-derelict site in Hexham. The process of raising Links' assigned portion (43%) of the total construction cost (£1,259,000) has proved complex, difficult and frustrating. Although a robust and realistic Business Plan, with integral Fundraising and Exit Strategies, was in place, nevertheless when anticipated funding from a supportive major funder for the largest portion of the capital costs, was rejected, this represented a real setback to the fundraising plan. This was compounded by the fact that substantial revenue funding from the same source, which was inevitably linked to the capital funding, was also lost. The situation was further exacerbated by subsequent deferrals of other significant funding, where funders had provisionally agreed a grant allocation on condition that this 'lead' funding was secured. The delays in commencing construction work on the Centre, experienced in 2001/2, meant that revenue funding streams associated with the Centre could not now be drawn down, which resulted in a cash flow crisis that could not be fully resolved until the Centre was open.

After detailed discussion, consultation and analysis of the situation, the Trustees reluctantly agreed that in order to maintain the core services of housing advice and information; employment training and supported accommodation, for the young people of Tynedale, with the minimum level of staffing, that the Leases on two properties used for supported housing should be surrendered; full time support at Prudhoe for the Eastern Tynedale operation would be withdrawn and supported by Hexham-based staff on a reduced basis, and that, in light of this one full-time and one part-time employees would have to be made redundant. By December 2002 it was clear that the financial position was improving in relation to funding for the Centre, but gap-funding for 2003 still needed to be secured

## LINKS - HOUSING ADVICE AND SUPPORT FOR YOUNG PEOPLE

### TRUSTEES REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2002

#### ACTIVITIES and ACHIEVEMENTS

##### (a) Housing Advice and Information:

is delivered from the main (Hexham) office and the Prudhoe base, on a drop-in or appointments basis, including home/school visits for young people with mobility problems, for those with young families or those with access/transport problems. The service also offers welfare rights/benefits advice & information; referrals to specialist agencies and advocacy. In 2002 there was a reduction in the numbers of young people using this service: 171 from 233 in the previous year.

Young people from Eastern Tynedale and from the Hexham area accounted for 36% and 37% respectively; whilst 27% of users were from the rural areas.

The reduction in the overall number of beneficiaries was mainly for two reasons: (a) the more proactive approach to the prevention of homelessness, rather than crisis intervention, by the local authority, following the implementation of the new Homelessness legislation and (b) the temporary closure of the Prudhoe office (*see below*).

Links also assumed a more strategic role, with the local authority, in strengthening the focus of homelessness more on prevention through housing strategies.

Of the 171 beneficiaries, 52% were either homeless or threatened with homelessness, which is a 6% increase on 2001 and which marginally reverses the downward trend of the past few years where it was felt that young people were seeking advice/information prior to a crisis situation arising.

Our belief that one-to-one, on going support, is a key factor in young people achieving successful and sustained independent living, is evidenced by the fact that 79% of service users received such dedicated support during the year.

As a result of the cutbacks in services emanating from the financial problems experienced in the latter half of the year, the numbers of young people accessing the Eastern Tynedale (Prudhoe) office dropped which also contributed to the decrease in the overall number of service users.

##### (b) Supported Accommodation:

The number of bed spaces decreased in 2002 as a result of the financial difficulties that the company faced in the latter half of the year. The Trustees took a decision to surrender the lease on two properties: a single-person flat used for second stage move-on accommodation by young people with some experience of independent living and also a 3-bedroomed house leased from a local business; This left the number of bed spaces at 5 (reduced from 9 in 2001), in 3 remaining properties: these being leased from two Housing Associations and the Trustees of a local church.

**Outcomes:** by the end of 2002, eighteen vulnerable young people had benefited from the safe, affordable housing and the life-skills training (an increase from 16 in 2001). At the end of the year 5 remained in the accommodation; 4 had moved on to their own tenancies - 3 with Housing Associations and 1 to a Private Rented tenancy; 1 secured live-in employment; 1 moved to similar supported accommodation; 2 young peoples' destinations were unknown and 5 returned home or to their families.

##### (c) Employment Training:

continues to grow and develop despite various setbacks in 2002. The short-term financial difficulties experienced in early summer led to the Trustees making the difficult decision to temporarily close the Prudhoe base, which serves the young population of Eastern Tynedale. This, naturally, led to a reduction in the overall number of service users: 72 in 2002 compared with 87 in 2001. Of these 93% were unemployed. Just under half of service users were referred internally, from the housing advice and information service.

## LINKS - HOUSING ADVICE AND SUPPORT FOR YOUNG PEOPLE

### TRUSTEES REPORT (continued)

#### FOR THE YEAR ENDED 31 DECEMBER 2002

The **Resource Centre** in the main base at Hexham continues to be popular with the young people and is well used for general IT training; European Computer Driving Licence (ECDL) training in conjunction with Northumberland College; Job Search; C.V preparation; Course Finder; on-line Learning; interactive learning/training, such as the Driving Licence Theory training; course work and for access to the information library.

A **dedicated, interactive website** was also launched in 2002 to address the problems of access to good quality information services, experienced by young people in the remote rural areas of the district. The website can be accessed for employment information, advice and guidance and will be further developed during 2003.

The **development of outreach services**, again targeting those young people living in Tynedale's remote areas, was initiated in order to help combat the effects of rural isolation. In the first stage of the development of this service Links took an intermediary role in brokering training and funding opportunities for local community partnerships and regeneration activities.

A **Partnership** with the Foyer Federation and Stockton & Billingham College for the delivery of life skills training, leading to the *City and Guilds Profile of Achievement* was also initiated at the end of 2002. It is hoped that the programme will commence by the spring of 2002.

**Outcomes:** the service saw 19 young people moving on to full-time employment; 1 to part-time employment; 7 to ECDL training; 6 to Modern Apprenticeships; 11 went onto further/higher education and/or training; 6 undertook the Princes Trust Personal Development Programme and 2 went on to voluntary work.

#### (d) Education/Awareness

The '*Homework*' project, co-ordinated by Shelter and sponsored by BT, in which Links became involved during 2001, was part of a nation-wide strategy aimed at bringing housing/homeless education into schools as part of the national curriculum. The project was completed in 2002 and published.

#### (e) Multi-Agency Networking /Community work

Links continued to strengthen its association and participation with various statutory and voluntary organisations, community development groups and local regeneration initiatives, including:-

Healthy Living Groups	Tynedale Drugs Forum
Hexham Community Partnership	Tynedale Community Safety Strategy
Kielder Community Trust	Tynedale Rural Transport Partnership
Mid Tyne Partnership,	New Deal Gateway Partnership.
Tynedale Community Development Network	Tynedale Voluntary Action
Northumberland Housing and Social Services Protocol Group	

Following national government recommendations, Tynedale Council began local consultation with Voluntary and Community Sector Organisations in 2002. Links was one of four such organisations in the district with whom the local authority entered into discussion with a view to drafting a formal **Compact Agreement**. These agreements demonstrate a commitment to partnership working for the benefit of local residents and to nurture and support voluntary and community activity. A compact sets out key principles and undertakings that should underpin the relationship between the local authority and Links.

## LINKS - HOUSING ADVICE AND SUPPORT FOR YOUNG PEOPLE

### TRUSTEES REPORT (continued)

#### FOR THE YEAR ENDED 31 DECEMBER 2002

**(f) Volunteers' service:**

Funding for the post of Volunteer's Co-ordinator expired at the end of September 2002. After careful consideration the Trustees decided not to seek funding for a re-appointment. The reasons for this were twofold: firstly, the management and operational structures for the volunteers' service were well established and secondly, what had begun as a generic volunteer role had now become more specialised, with specific training, rather than simply generalist training, being required. The support work to service users in their first tenancies had levelled out and more mentoring/support work was needed for employment training service users. In addition, a dedicated volunteer also commenced general office training as a first step towards undertaking a variety of operational and administrative tasks and to provide assistance and support to the employment training service delivery.

**(g) Future Development Plans**

The long-term development of all services is inextricably linked to the establishment of a dedicated Young People's Centre, based in Hexham. The problems caused by the delays in commencing the building work have been fully reported in the RESULTS section of this Report on Page 3.

The failure to secure the capital funding within the required deadline meant that the appropriate phase of the Exit Strategy had to be enforced and a revised Fundraising Plan had to be implemented. By the end of the year the capital shortfall had almost been rectified. The project was awarded £313,000 capital funding under the Market Towns Renaissance scheme funded through the Northumberland Strategic Partnership by One NorthEast and £70,000 funding from Government Office North East under the European Objective 2 Programme has also been awarded. Other, smaller bids considered in January 2003 have now been received.

The Trustees also wish to record here the substantial support and financial assistance that Tynedale Council also gave during this period which enabled Links to realise the greater part of its funding programme. The finalisation of legal agreements: an "Agreement to Lease" has now been signed and a "Lease will be signed on completion of the building. Site work began in February 2003 and completion of the Centre is expected by January 2004.

### RISK REVIEW

The Trustees consider the major risks to which the charitable company is exposed on an on-going basis and where appropriate takes action to mitigate those risks.

**(a)** The company's Business Plan defines a long-term strategy to achieve the charitable company's objectives and aims to ensure its long-term financial viability and sustainability. The Plan also incorporates an Operational Plan; a Funding Plan (both on a 3-year rolling-programme basis) and a Risk Assessment and Exit Strategy for the provision and delivery of service, which will allow Trustees to effectively, and more regularly, monitor and evaluate the charitable company's operations. The Plan is subject to regular monitoring, review and updating.

**(b)** Internal risks have also been identified and a policy for the verification and authorisation of financial transactions is being formally implemented in 2003, following a period of consultation.

**(c)** In 2002, the charitable company achieved several Quality Marks: the **Legal Services Commission: Community Legal Services Quality Mark**; the **Guidance Council's: Information, Advice and Guidance Accreditation** and **Foyer Federation Accreditation**. These were awarded in recognition of the company's commitment and achievement of consistent high quality in the delivery of services.

**(d)** In 2001, the Trustees began a process of reviewing the various types of non-compulsory insurance cover, for the charity and themselves, in respect of risks that remain after all reasonable steps have been taken to reduce liability, particularly those risks arising from claims that loss, injury or damage was sustained as a result of following the charity's advice (professional indemnity). This process continued in 2002 and will be finalised in 2003.



## LINKS - HOUSING ADVICE AND SUPPORT FOR YOUNG PEOPLE

### TRUSTEES REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2002

#### RISK REVIEW *continued ...*

(e) To minimise other risks to the management, operation and delivery of services, the Trustees have in place, formally agreed and adopted policies which are subject to regular review. New Policies and Procedures implemented in 2002 were: Disability in Employment; Data Protection Statement; Incoming Referrals and Eligibility Criteria; Maintaining Information; Referrals and Signposting; Supervision; Assessment and Organisational. In addition the Equal Opportunities Policy was reviewed and revised. The Trustees also adopted the Guidance Council's "*Code of Principles*" and Learning Northumberland's "*Statement of Service*".

#### RESERVES POLICY

The Trustees have established a policy whereby all non-restricted funds held by the charity in furtherance of its Charitable Objects, excluding tangible fixed assets, (Net Current Assets minus Restricted Income Funds) should be no less than the equivalent of 3 months revenue expenditure: this approximates to between £50,000 and £60,000 for the forthcoming financial year.

This is a level at which the Trustees consider that the activities of the company could be maintained without the need for additional revenue income being raised.

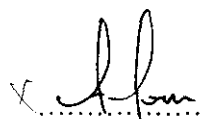
The level at 31st December 2002 was £6,970 which is significantly below the Trustees policy requirement for 2003. However, steps have since been taken to raise additional revenue income to achieve the company's objectives for 2003 and beyond.

#### REPORTING ACCOUNTANTS:

Ribchesters Chartered Accountants of 67 Sadler Street, Durham. DH1 3NP were re-appointed as the company's / charity's Reporting Accountants at the Annual General Meeting on July 12<sup>th</sup> 2002.

This report was approved by the Board of Trustees on 22 May 2003 and has been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities and in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Signed on behalf of the Trustees

  
.....  
**ANDREW PETER MOORE**  
Chairperson:

## ACCOUNTANTS' REPORT

### TO THE TRUSTEES ON THE UNAUDITED ACCOUNTS OF LINKS - HOUSING ADVICE AND SUPPORT FOR YOUNG PEOPLE

We report on the accounts for the year ended 31 December 2002 as set out on pages 9 to 17.

#### Respective responsibilities of directors and reporting accountants

As described on page 2, the Trustees, who are also the Directors of Links – Housing Advice and Support for Young People for the purposes of company law, are responsible for the preparation of the accounts, and they consider that the company is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.


#### Basis of opinion

Our work was conducted in accordance with the Statement of Standards for Reporting Accountants, and so our procedures consisted of comparing the accounts with the accounting records kept by the company, and making such limited enquiries of the officers of the company as we considered necessary for the purposes of this report. These procedures provide only the assurance expressed in our opinion.

#### Opinion

In our opinion

- a. the accounts are in agreement with the accounting records kept by the company under section 221 of the Companies Act 1985;
- b. having regard only to, and on the basis of, the information contained in those accounting records;
  - i) the accounts have been drawn up in a manner consistent with the accounting requirements specified in section 249C(6) of the Act; and
  - ii) the company satisfied the conditions for exemption from an audit of the accounts for the year specified in section 249A(4) of the Act and did not, at any time within that year, fall within any of the categories of companies not entitled to the exemption specified in section 249B(1).

  
.....x  
**Ribchesters**  
**Chartered Accountants**  
**67 Sadler Street**  
**Durham**  
**DH1 3NP**

Dated 22 May 2003

# **LINKS - HOUSING ADVICE AND SUPPORT FOR YOUNG PEOPLE**

## **STATEMENT OF FINANCIAL ACTIVITIES** **(including Income and Expenditure Account)**

**FOR THE YEAR ENDED 31 DECEMBER 2002**

				2002	2001
	Note	Unrestricted Funds £	Restricted Funds £	Total £	Total £
<b>INCOMING RESOURCES</b>					
Donations, grants and similar incoming resources	2a	77,391	39,400	116,791	161,600
<b>Income from operating activities</b>					
New Deal, Gateway for training services		585	-	585	3,654
Activities in furtherance of the charity's objects	2b	29,542	-	29,542	29,119
Bank interest received		<u>107</u>	<u>-</u>	<u>107</u>	<u>353</u>
		<u>107,625</u>	<u>39,400</u>	<u>147,025</u>	<u>194,726</u>
<b>RESOURCES EXPENDED</b>					
<b>Charitable expenditure</b>					
Costs of activities in furtherance of the objects of the charity		17,438	603	18,041	18,466
Support costs		80,360	20,585	100,945	118,318
Management and administration of charity		<u>33,085</u>	<u>24,285</u>	<u>57,370</u>	<u>48,591</u>
<b>Total resources expended</b>	3	<u>130,883</u>	<u>45,473</u>	<u>176,356</u>	<u>185,375</u>
<b>Net (outgoing)/incoming resources before transfers</b>	4	(23,258)	( 6,073)	( 29,331)	9,351
<b>Transfer between funds</b>	11	( <u>2,270</u> )	<u>2,270</u>	<u>-</u>	<u>-</u>
<b>Net (outgoing)/ incoming resources and net income for the year</b>		(25,528)	( 3,803)	( 29,331)	9,351
Total funds brought forward 1 January 2002		<u>34,063</u>	<u>13,110</u>	<u>47,173</u>	<u>37,822</u>
Total funds carried forward 31 December 2002	11,12	<u>8,535</u>	<u>9,307</u>	<u>17,842</u>	<u>47,173</u>

The statement of financial activities includes all gains and losses recognised in the period.  
All incoming resources and resources expended derive from continuing activities.

# LINKS - HOUSING ADVICE AND SUPPORT FOR YOUNG PEOPLE

## BALANCE SHEET AS AT 31 DECEMBER 2002

	Note	2002 £	2001 £
<b>Fixed assets</b>			
Tangible assets	7	<u>1,565</u>	<u>3,571</u>
<b>Current assets</b>			
Debtors	9	8,092	5,122
Cash at bank and in hand		<u>10,652</u>	<u>41,181</u>
		18,744	46,303
<b>Creditors</b>			
Amounts falling due within one year	10	<u>2,467</u>	<u>2,701</u>
<b>Net current assets</b>		<u>16,277</u>	<u>43,602</u>
<b>Net assets</b>	8	<u>17,842</u>	<u>47,173</u>
<b>Income funds</b>			
Restricted funds	11	9,307	13,110
Unrestricted funds	12	<u>8,535</u>	<u>34,063</u>
		<u>17,842</u>	<u>47,173</u>

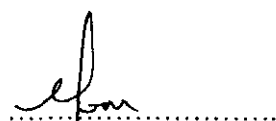
The company is entitled to exemption from audit under Section 249A(1) of the Companies Act 1985 for the year ended 31 December 2002.

The trustees have not required the company to obtain an audit of its financial statements for the year ended 31 December 2002.

The trustees acknowledge their responsibilities for:

- ensuring that the company keeps accounting records which comply with Section 221 of the Companies Act 1985 and
- preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Section 226 and which otherwise comply with the requirements of the Companies Act 1985 relating to financial statements, so far as applicable to the company.

Approved by the Board of Trustees on 22 May 2003 and signed on its behalf. These financial statements have been prepared in accordance with the special provisions of Part V11 of the Companies Act 1985 relating to small companies and in accordance with the Financial Reporting Standard for Smaller Entities (Effective June 2002).



**ANDREW PETER MOORE: Chairperson**

The annexed notes form part of these accounts.

## LINKS - HOUSING ADVICE AND SUPPORT FOR YOUNG PEOPLE

### NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2002

1. (a) **Accounting policies**  
The accounts have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (Effective June 2002) and in accordance with the recommendations in the Statement of Recommended Practice: Accounting for Charities (SORP) issued October 2000.
- (b) **Donations**  
Donations are recognised in full in the Statement of Financial Activities in the period in which they are received. Volunteers' time is recognised as donations and volunteers' expenses to the extent of grants receivable. Assets donated are recognised in full as donations and fixed assets.
- (c) **Government grants**  
Grants and fees received for current year expenditure and grants for purchase of fixed assets are recognised in full in the Statement of Financial Activities in the period in which they are received, provided that the conditions for receipt have been complied with. Where income is received in advance for expenditure in a future accounting period, it is deferred and recognised in the future period to which it relates.
- (d) **Resources expended**  
Resources expended are recognised in the period in which they are incurred. Resources expended include VAT which cannot be recovered.
- (e) **Depreciation and diminution in value of assets**  
Tangible fixed assets are stated at cost less depreciation. Items of equipment are capitalised where the purchase price exceeds £300.  
Depreciation is provided at rates calculated to write off the cost or valuation of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:
- |                      |                            |
|----------------------|----------------------------|
| Mobile office        | 25% reducing balance basis |
| Office equipment     | 33% straight-line basis    |
| Computer equipment   | 33% straight-line basis    |
| Furniture & fixtures | 20% reducing balance basis |
- (f) **Pension costs**  
The company operates a defined contribution pension scheme and pension contributions are charged to profit and loss account to spread the cost of the pensions over the employees working lives.
- (g) **Restricted funds**  
Restricted funds represent income provided by the donor for specific purposes. Expenditure, which meets those criteria, is charged to the fund together with a fair allocation of management and support costs.
- (h) **Unrestricted funds**  
Unrestricted funds represents income receivable or generated for the objects of the charity without further specified purpose and are available as general funds.

# **LINKS - HOUSING ADVICE AND SUPPORT FOR YOUNG PEOPLE**

## **NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2002**

(continued)

### **2 INCOMING RESOURCES**

	Unrestricted funds £	Restricted funds £	2002 Total £	2001 Total £
<b>2(a) Donations, grants &amp; similar incoming resources</b>				
<b>Grants</b>				
Community Fund	-	12,560	12,560	49,545
Greggs Trust	-	-	-	10,000
DFEE	-	17,093	17,093	16,583
Community Foundation	18,750	-	18,750	48,750
Northumberland Guidance Company (IAG)	-	-	-	1,000
LTSB Foundation	5,000	-	5,000	10,000
Tynedale Council	30,000	-	30,000	21,125
Northern Rock	-	1,500	1,500	-
Learning Northumberland	-	1,000	1,000	-
NOW (Northumberland County Youth Service)	-	7,247	7,247	-
Tynedale Communities against Drugs	6,000	-	6,000	-
One NorthEast Market Towns Initiatives	15,000	-	15,000	-
Other grants	-	-	-	875
<b>Donations</b>	<u>2,641</u>	<u>-</u>	<u>2,641</u>	<u>3,722</u>
	<u>77,391</u>	<u>39,400</u>	<u>116,791</u>	<u>161,600</u>
<b>b) Activities in furtherance of the charity's objects</b>				
Rent & service charge from beneficiaries	3,627	-	3,627	3,643
Housing benefit	21,638	-	21,638	25,476
Floating support	<u>4,277</u>	<u>-</u>	<u>4,277</u>	<u>-</u>
	<u>29,542</u>	<u>-</u>	<u>29,542</u>	<u>29,119</u>

### **3 RESOURCES EXPENDED**

	Unrestricted funds £	Restricted funds £	2002 Total £	2001 Total £
<b>Costs of activities in furtherance of the objects of the charity</b>				
Property costs for beneficiaries				
Rent	12,315	-	12,315	11,008
Council tax and water rates	1,390	486	1,876	1,721
Repairs and renewals	909	117	1,026	2,847
Light and heat	1,502	-	1,502	1,377
TV licences	336	-	336	436
Cleaning materials	-	-	-	232
Bad debts	<u>986</u>	<u>-</u>	<u>986</u>	<u>845</u>
	<u>17,438</u>	<u>603</u>	<u>18,041</u>	<u>18,466</u>
<b>Support costs</b>				
Staff salaries	67,171	14,938	82,109	94,697
Employer NI	6,334	607	6,941	8,736
Staff pensions	5,235	477	5,712	7,126
Staff travelling expenses	-	1,511	1,511	1,800
Volunteers & beneficiary travel expenses	169	686	855	1,202
Staff, volunteers & beneficiary training	1,451	1,372	2,823	3,306
Volunteers' time allowance	<u>-</u>	<u>994</u>	<u>994</u>	<u>1,451</u>
	<u>80,360</u>	<u>20,585</u>	<u>100,945</u>	<u>118,318</u>

# **LINKS - HOUSING ADVICE AND SUPPORT FOR YOUNG PEOPLE**

## **NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2002 (continued)**

### **3 RESOURCES EXPENDED (continued)**

	Unrestricted funds £	Restricted funds £	2002 Total £	2001 Total £
<b>Management and administration of the charity</b>				
Administration staff salaries	17,548	7,084	24,632	22,157
Subcontractor	-	-	-	440
Employers NI	1,812	15	1,827	1,592
Staff pensions	507	21	528	172
Staff recruitment	-	-	-	622
Befriending costs	283	126	409	465
Rent of offices	989	4,735	5,724	4,228
Rates and water	5	248	253	253
Light and heat	251	742	993	651
Cleaning	514	247	761	263
Insurance	775	567	1,342	1,315
Repairs and renewals	932	3,758	4,690	636
Printing stationery and postages	356	685	1,041	1,634
Telephone	1,771	1,047	2,818	3,242
Advertising and promotion	-	-	-	1,030
Computer running costs	269	187	456	651
Publications	151	-	151	138
Mobile office expenses	1,306	-	1,306	773
Monitoring and evaluation	-	-	-	465
Subscriptions	440	2,678	3,118	1,830
Professional fees	1,808	913	2,721	875
Reporting accountants fee	1,006	786	1,792	1,234
Grant audit fee	-	330	330	587
Bank charges	470	-	470	20
Depreciation	1,892	116	2,008	3,236
Loss on disposal of assets	-	-	-	82
	<u>33,085</u>	<u>24,285</u>	<u>57,370</u>	<u>48,591</u>
<b>TOTAL RESOURCES EXPENDED</b>	<u>130,883</u>	<u>45,473</u>	<u>176,356</u>	<u>185,375</u>

### **4. NET INCOMING RESOURCES FOR THE YEAR**

	2002 £	2001 £
This is after charging: -		
Depreciation	2,008	3,236
Loss on disposal of asset	-	82
Trustees remuneration	-	-
Grant audit fee	330	587
Reporting accountants fee	<u>1,792</u>	<u>1,234</u>

# **LINKS - HOUSING ADVICE AND SUPPORT FOR YOUNG PEOPLE**

## **NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2002 (continued)**

<b>5. STAFF COSTS AND NUMBER OF EMPLOYEES</b>	<b>2002</b>	<b>2001</b>
	<b>Total</b>	<b>Total</b>
	<b>£</b>	<b>£</b>
Staff salaries	106,742	116,854
Subcontractor	-	440
Employers NI	8,767	10,328
Staff pensions	<u>6,240</u>	<u>7,298</u>
	<u>121,749</u>	<u>134,920</u>
 <b>Average number of employees</b>	 <b>2002</b>	 <b>2001</b>
	<b>No.</b>	<b>No.</b>
Trustees	6	7
Support staff	4	5
Management and administration	<u>2</u>	<u>2</u>
	<u>12</u>	<u>14</u>

None of the trustees received remuneration or were reimbursed expenses during this financial year or in earlier years.

No employees received remuneration of more than £50,000.

### **6. TAXATION**

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

### **7. FIXED ASSETS**

	<b>Furniture &amp; Fixtures</b>	<b>Computer &amp; Office Equipment</b>	<b>Mobile Office</b>	<b>Total</b>
<b>Cost</b>				
As at 1 January 2002	294	9,444	3,502	13,240
Additions	-	-	-	-
Disposals	-	-	-	-
Balance at 31 December 2002	<u>294</u>	<u>9,444</u>	<u>3,502</u>	<u>13,240</u>
 <b>Accumulated depreciation</b>				
As at 1 January 2002	118	7,240	2,311	9,669
Charge for year	35	1,673	298	2,006
On disposals	-	-	-	-
Balance at 31 December 2002	<u>153</u>	<u>8,913</u>	<u>2,609</u>	<u>11,675</u>
 NBV at 31 December 2002	<u>141</u>	<u>531</u>	<u>893</u>	<u>1,565</u>
NBV at 31 December 2001	<u>176</u>	<u>2,204</u>	<u>1,191</u>	<u>3,571</u>

The net book value at 31 December 2002 represents fixed assets used for: -

Direct charitable purposes	<u>1,034</u>
Management and administration	<u>531</u>



**LINKS - HOUSING ADVICE AND SUPPORT FOR YOUNG PEOPLE**

**NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2002  
(continued)**

**8. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	<b>Tangible Fixed Assets £</b>	<b>Net Current Assets £</b>	<b>Total £</b>
Restricted funds	-	9,307	9,307
Unrestricted funds	<u>1,565</u>	<u>6,970</u>	<u>8,535</u>
	<u>1,565</u>	<u>16,277</u>	<u>17,842</u>

**9. DEBTORS**

	<b>2002 £</b>	<b>2001 £</b>
<b>Due within one year</b>		
Rent debtors	5,965	3,348
Sundry debtor	408	-
Prepayments	<u>1,719</u>	<u>1,774</u>
	<u>8,092</u>	<u>5,122</u>

**10. CREDITORS – AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2002 £</b>	<b>2001 £</b>
Trade creditors	539	266
Accruals	1,834	2,435
Paye and NI	<u>94</u>	<u>-</u>
	<u>2,467</u>	<u>2,701</u>

# **LINKS - HOUSING ADVICE AND SUPPORT FOR YOUNG PEOPLE**

## **NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2002**

(continued)

### **11. RESTRICTED FUNDS**

The income funds of the charity include restricted funds comprising the following donations and grants received on trust to be applied for specific purposes.

	<b>B/fwd 1.1.02</b>	<b>Income resources</b>	<b>Resources expended</b>	<b>Transfers between funds</b>	<b>C/fwd 31.12.02</b>
<b>DFEE</b>					
(See grant schedule)	( 4,953)	17,093	( 12,021)	( 119)	-
<b>NOW Grant</b> (Northumberland County Youth Service)	-	7,247	( 3,625)	-	3,622
<b>Community Fund</b>	17,393	12,560	( 29,157)	2,389	3,185
Payroll costs of work with volunteers					
Payroll costs of administration of grant					
Volunteer/staff travel & training					
Office running costs					
Information education & promotion					
<b>Northern Rock</b>					
Grant for 2 computers	-	1,500	-	-	1,500
<b>Northumberland Guidance Co.</b>	670	-	( 670)	-	-
Software for training/internet costs/publicity materials created in house					
<b>Learning Northumberland</b>	-	1,000	-	-	1,000
Grant for computer	_____	_____	_____	_____	_____
<b>Total restricted</b>	<u>13,110</u>	<u>39,400</u>	<u>(45,473)</u>	<u>2,270</u>	<u>9,307</u>

The transfer between funds in respect of the DFEE refers to assets purchased from which the restriction has been removed and can now be used for general funds.

The transfer between funds in respect of the Community Fund grant has arisen because there were insufficient funds to cover the expenditure incurred. The balance remaining is for expenditure to be incurred in the following year.

### **12. UNRESTRICTED FUNDS**

	<b>2002 £</b>	<b>2001 £</b>
Balance at 1 January 2002	34,063	19,939
Incoming resources	107,625	117,598
Resources expended	<u>(130,883)</u>	<u>(103,556)</u>
	10,805	33,981
Transfer from restricted funds	<u>( 2,270)</u>	<u>82</u>
Balance at 31 December 2002	<u>8,535</u>	<u>34,063</u>

**LINKS - HOUSING ADVICE AND SUPPORT FOR YOUNG PEOPLE**

**NOTES TO THE ACCOUNTS  
FOR THE YEAR ENDED 31 DECEMBER 2002**

(continued)

**13 PENSION COSTS**

The company operates a defined contribution scheme for its employees. The assets of the scheme are held separately from those of the company in a separately administered fund.

**14 CONTROLLING PARTY**

The company is controlled by the Board of Trustees.

**15 POST BALANCE SHEET EVENT**

After the year-end the charitable company, Links Housing Advice and Support for Young People, began to have built office accommodation, including space for housing and employment advice plus training workshops, on a 99 year lease, at a cost to the company of £534,000. This will be funded by grants from various sources.

**THE ACCOUNTS ON PAGES 18 TO 20 DO NOT FORM PART**

**OF THE STATUTORY FINANCIAL STATEMENTS OF THE COMPANY**

# **LINKS - HOUSING ADVICE AND SUPPORT FOR YOUR PEOPLE**

## **INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2002**

	£	2002 £	£	2001 £
<b>INCOME</b>				
<b>Grants</b>				
Community Fund	12,560		49,545	
Greggs Trust	-		10,000	
DFEE	17,093		16,583	
Community Foundation	18,750		48,750	
Northumberland Guidance Company (IAG)	-		1,000	
LTSB Foundation	5,000		10,000	
Tynedale Council	30,000		21,125	
Northern Rock	1,500		-	
Learning Northumberland	1,000		-	
NOW (Northumberland County Youth Service)	7,247		-	
Tynedale Communities Against Drugs	6,000		-	
One North East Market Towns Initiatives	15,000		-	
Other grants	<u>-</u>	114,150	<u>875</u>	157,878
<b>Donations (including volunteers time)</b>		2,641		3,722
<b>Other income</b>				
New Deal, Gateway for training services	585		3,654	
Rent and service charge from beneficiaries	3,627		3,643	
Housing benefit	21,638		25,476	
Floating support	<u>4,277</u>	30,127	<u>-</u>	32,773
Bank deposit interest		<u>107</u>		<u>353</u>
		147,025		194,726
<b>EXPENDITURE</b>				
<b>Property costs for beneficiaries</b>				
Rent	12,315		11,008	
Council tax and water rates	1,876		1,721	
Repairs and renewals	1,026		2,847	
Light and heat	1,502		1,377	
TV licences	336		436	
Cleaning materials	-		232	
Bad debts on rent	<u>986</u>		<u>845</u>	
	<u>18,041</u>		<u>18,466</u>	
<b>Support costs</b>				
Support staff salaries	82,109		94,697	
Employers NI	6,941		8,736	
Staff pensions	5,712		7,126	
Staff travelling expenses	1,511		1,800	
Volunteers and beneficiary travel expenses	855		1,202	
Staff volunteers and beneficiary training	2,823		3,306	
Volunteers time allowance	<u>994</u>		<u>1,451</u>	
	<u>100,945</u>		<u>118,318</u>	
Carried forward	118,986	147,025	136,784	194,726

# LINKS - HOUSING ADVICE AND SUPPORT FOR YOUR PEOPLE

## INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2002 (continued)

	£	2002 £	£	2001 £
Brought forward	118,986	147,025	136,784	194,726
<b>MANAGEMENT AND ADMINISTRATION</b>				
<b>Administration staff costs</b>				
Administration staff salaries	24,632		22,157	
Subcontractor	-		440	
Employers NI	1,827		1,592	
Staff pensions	528		172	
Staff recruitment	-		622	
Befriending costs	409		465	
	<u>27,396</u>		<u>25,448</u>	
<b>Office property costs</b>				
Rent of offices	5,724		4,228	
Rates and water	253		253	
Light and heat	993		651	
Cleaning	761		263	
Insurance	1,342		1,315	
Repairs and renewals	4,690		636	
	<u>13,763</u>		<u>7,346</u>	
<b>Administration and financial</b>				
Printing stationery and postage	1,041		1,634	
Telephone	2,818		3,242	
Advertising and promotion	-		1,030	
Computer running costs	456		651	
Publications	151		138	
Mobile office expenses	1,306		773	
Research	-		-	
Monitoring and evaluation	-		465	
Subscriptions	3,118		1,830	
Professional fees	2,721		875	
Reporting accountants fee	1,792		1,234	
Grant audit fee	330		587	
Sundry	-		-	
Bank charges	470		20	
	<u>14,203</u>		<u>12,479</u>	
<b>Depreciation</b>				
Depreciation	2,008		3,236	
Loss on disposal of assets	-		82	
	<u>2,008</u>		<u>3,318</u>	
<b>Total management and administration</b>	<u>57,370</u>		<u>48,591</u>	
Total expenditure		176,356		185,375
Net (deficit)/surplus for year		( 29,331)		<u>9,351</u>

# **LINKS - HOUSING ADVICE AND SUPPORT FOR YOUR PEOPLE**

## **BALANCE SHEET AS AT 31 DECEMBER 2002**

	£	2002 £	£	2001 £
<b>TANGIBLE FIXED ASSETS</b>				
<b>Mobile office</b>				
Cost at 1 January 2002	3,502		3,502	
Less depreciation to date	(2609)	893	(2,311)	1,191
<b>Computers</b>				
At cost at 1 January 2002	7,280		5,785	
Additions during year	-		1,495	
Less depreciation to date	(6,749)	531	(5,479)	1,801
<b>Office equipment</b>				
Cost at 1 January 2002	2,164		2,164	
Less depreciation to date	(2164)	-	(1,761)	403
<b>Furniture and fittings</b>				
At cost at 1 January 2002	294		423	
Less disposals	-		( 129)	
Less depreciation to date	(153)	141	( 118)	176
		1,565		3,571
<b>Current assets</b>				
Rent debtors	5,965		3,348	
Purchase ledger debit balances	408		-	
Prepayments	1,719		1,774	
Bank accounts	10,292		41,059	
Cash in hand	360		122	
	<u>18,744</u>		<u>46,303</u>	
<b>Current liabilities</b>				
Trade creditors	539		266	
Accruals	1,834		2,435	
Deferred income	94		-	
	<u>2,467</u>		<u>2,701</u>	
<b>Net current assets</b>		<u>16,277</u>		<u>43,602</u>
<b>Total assets less current liabilities</b>		<u>17,842</u>		<u>47,173</u>
<b>Income funds</b>				
Restricted funds		9,307		13,110
Unrestricted funds		<u>8,535</u>		<u>34,063</u>
		<u>17,842</u>		<u>47,173</u>