

Trustees' annual report and accounts

For the year ended 30 June 2015

CRISIS

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About Crisis

Crisis is the national charity for single homeless people. We are determined to end homelessness. We help homeless people rebuild their lives through our groundbreaking services and we campaign to end the causes of homelessness.

Homelessness is devastating, leaving people vulnerable and isolated. We believe everyone deserves a place to call home and the chance to live a fulfilled and active life.

Crisis offers housing, health, education and employment services. We work with thousands of homeless people across the UK every year. We are also determined campaigners, working to prevent people from becoming homeless through changing the way society and governments think and act towards homeless people.

Our five-year strategic plan goals

Our priorities for 2013-2018 reflect growing demand for our services and the need to campaign to address rising homelessness as cuts to services and benefits, compounded by the ongoing housing crisis, continue to affect people across the UK.

1. Deliver high quality services that enable housing stability, financial security, improved wellbeing and the development of positive relationships
2. Develop and deliver a range of housing solutions
3. Be the leading source of knowledge on causes, effects and solutions for single homelessness
4. Influence opinion and public policy and raise awareness so that homelessness matters to more people
5. Raise funding to support existing activities and growth plans
6. Develop our people, systems and operating methods to ensure that they effectively support Crisis' activities, growth and development

Our Values

It is vital that as we grow as an organisation, we ensure that everybody understands what it is that makes us Crisis. So we have defined our values, and will keep them at the heart of everything we do as we continue in our mission to end homelessness.

Inspiration

We can and we do change the lives of homeless people. Through this work we inspire others to help end homelessness.

Integrity through knowledge

Our integrity is grounded in our unique knowledge base, which comes from our research and years of working directly with thousands of homeless people.

Dignity

By giving people the tools to help themselves out of homelessness, we uphold their dignity. We act with compassion, a sense of common decency, and with humanity.

Fearlessness through independence

Our independence grants us not just the ability, but also the responsibility to be fearless and say what needs to be said to help homeless people.

Adaptability

We are curious, creative and adaptive, willing to change what we do when we know what works – and what does not.

Resolve to end homelessness

Be it through anger or compassion, we draw our resolve from the injustice that is homelessness in 21st century Britain.

Trustees, senior management and advisers

Patron

HRH Princess Alexandra, the Hon. Lady Ogilvy, KG, GCVO

Vice Presidents

Lord Alton of Liverpool
The Most Rev. and the Rt Hon. Justin Welby, the Lord Archbishop of Canterbury
The Most Rev. Vincent Nichols, Archbishop of Westminster
David Gilmour CBE

Chair of Trustees

Steven Holliday ~^

Trustees

Terrie Alafat CBE (appointed 30 July 2015)
Harish Bhayani ^
Tim Child ~
Caroline Davey *
Emma Foulds *
Jane Furniss CBE ^ ~ (deputy chair of trustees)
Nicholas Hilliard QC
Richard Murley *
Andrew Newell *
Peter Redfern
John Samuel * (resigned 12 March 2015)
Jason Warriner

* member of the Finance Committee

^ member of the Nomination Committee

~ member of the Remuneration Committee

Company Secretary

Keith Felton

Senior Management Team

Jon Sparkes	Chief Executive (appointed 18 September 2014)
Leslie Morphy	Chief Executive (resigned 31 July 2014)
Matthew Downie	Director of policy & external affairs (appointed 14 July 2014)
Sarah Farquhar	Business development director
Keith Felton	Director of corporate services
Rebecca Pritchard	Director of operations (appointed 28 November 2014)
Ed Tait	Director of fundraising
Micky Walsh	Director of client services

Bankers

The Royal Bank of Scotland
28 Cavendish Square
London W1M 0DB

Senior statutory auditor

Joanna Pittman

Auditors

Sayer Vincent LLP
Invicta House
108-114 Golden Lane
London EC1Y 0TL

Address of charity and registered office

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66 Commercial Street
London E1 6LT
Telephone: 0300 636 1967
Fax: 0300 636 2012
Email: enquiries@crisis.org.uk
Website: www.crisis.org.uk

Company registration no: 4024938

Charity registration no: England and Wales
1082947; Scotland SC040094

Chairman's statement

The journey out of homelessness is long and hard. Over the coming year, Crisis will out of necessity grow to help more people find their own way home.

Our new service centre will open in Croydon and we will continue to develop a new Crisis Skylight service for homeless people in the Swansea city and sub-region, with a view to delivering services in the south of Wales from 2016. Through our new partnership with the Shekinah Mission, we will support homeless people in Devon to gain employment on their journey out of homelessness.

We will also welcome more homeless people in from the cold over the festive season, including in the Midlands, where Crisis at Christmas will open its doors for the first time.

Over the next year, as many as 10,000 people will access our year-round Crisis Skylight services across the UK, more than 4,000 will enjoy warmth and comfort at Crisis at Christmas, and more than 1,000 tenancies will be created through projects funded and supported through our private rented sector access schemes. We will help more homeless people than ever to turn their lives around.

As the housing crisis leaves the vast majority of homes out of reach for the poorest in our society,

Crisis' own housing services will grow. Housing advice and support will be central to, rather than a culmination of, our work with homeless people.

This growth is only possible thanks to the generous support of thousands of members of the public. We will continue to work with others who, like us, think homelessness is simply wrong. Together, we will reach our ambitious aim of offering services to many thousands more homeless people over the coming years.

With the new UK Government in place and further elections on the horizon in Scotland, Wales and London, our campaigning voice is as important as ever. New policies will come into effect governing who is entitled to the support of benefits. We will raise our voice to ensure that those who are homeless or in danger of losing their home can get the support that they need, when they need it, to help them get back on their feet and regain financial independence.

Be it through our work with homeless people, or our campaigns to change the way society thinks and acts towards homeless people – we will help more people make the journey home.

Steve Holliday

Chairman

Chief executive's statement and annual review

We exist to end the homelessness crisis. We'll do it person-by-person and we'll do it by influencing national and local policies to ensure homelessness is prevented, people have the support they need when they need it, and nobody is turned away. We draw our resolve from the injustice that is homelessness in 21st century Britain. Last year more than 350,000 people from across Britain sought help from their council. Many were simply turned away. The number of people sleeping rough has risen by 55 per cent in England over four years. In Scotland, despite falling homelessness and some of the most progressive homelessness legislation in the world, many single people still don't get the same support as other groups. Too often they are left in unsuitable temporary accommodation, struggling to make the permanent transition away from homelessness.

At the same time, street outreach, hostels and other frontline services face cuts, leaving people across the UK without the vital support they need. At Crisis, we have seen the effects. Stretched services have less time to refer people our way. Homeless people themselves are struggling to meet their basic needs – safety, food, shelter. Without those basics it can be hard for people to feel ready to start a class, gain new skills, or set long-term goals on the road out of homelessness. As a result, we are having to work harder to reach the people who need our support, and it is as important as ever that we are fearless in our campaigning and say what needs to be said to help homeless people.

In the lead up to the General Election 2015, more than 45,000 people got behind our *No One Turned Away* campaign calling for a review of the help single homeless people in England get under the law when they approach their council. Following intervention by Crisis, the Supreme Court ruled that a person in desperate need will no longer have to prove that they are more vulnerable than the average street homeless person to qualify for help from their council. While this landmark victory will improve the help some homeless people receive, many others will still not be judged vulnerable enough to qualify for the vital help they need to move off the streets. If you're

homeless, you're by definition vulnerable. We will continue to call on the new Government to end the longstanding injustice that leaves so many people in England out in the cold.

Meanwhile, our services are growing to help more people facing the immediate dangers of homelessness. We need to open our doors to more homeless people, wherever they are living or spending their time. We will draw on our knowledge, our research and years of experience of working directly with homeless people to change and deliver a service that works no matter where someone is on their journey. When people have nowhere to turn, we need to fill the void. And that's exactly what we will be doing at our new Crisis Skylight service in Croydon. Alongside our classes and coaching, we will offer the basics that make it as easy as possible to access our support, for example breakfast clubs, laundry and hot showers. We will invest in the skills required to help homeless people in the most difficult circumstances to have the confidence and motivation to access our services. We will give them tools to help themselves and uphold their dignity as they move on from the devastation of homelessness.

We are also here to help more people than ever to find a place to call home. New housing coaches have joined Crisis in Edinburgh, Merseyside, Newcastle, South Yorkshire and Birmingham to offer one-to-one housing support, and will soon be in all of our Crisis Skylight teams. This growth in our year-round services is possible thanks to generous support from the public. Meanwhile, a record-breaking number of people donated at Christmas, enabling us to welcome more guests in from the cold over the festive period than ever before.

In my first year as Chief Executive of Crisis, I have been consistently impressed by the creativity and dedication of Crisis' clients, volunteers and staff. I am proud to lead an organisation that is growing and changing its services to work for more homeless people than ever before. My first year with Crisis leaves me in no doubt that we will continue to meet the challenges faced by homeless people and help more people on their journey out of homelessness.

Jon Sparkes
Chief executive

Strategic report: Health and wellbeing

For Crisis clients, the journey out of homelessness is about more than finding work and a place to live; it's about getting physically and mentally ready to turn their life around. When homeless people in Newcastle took part in an award-winning project to transform a local allotment, they weren't just growing veg and gaining qualifications, they were rebuilding self-confidence shattered by the turmoil of homelessness.

Whether by taking to the stage at Sheffield's Crucible Theatre, attending our summer ballroom dancing classes in London, or taking part in our annual football tournament in Coventry, homeless people across the UK regained a sense of purpose and belief in themselves through Crisis' classes and social activities.

Homelessness can have a devastating impact on a person's health and wellbeing. The average

age of death for a homeless person is just 47 – and poor health can be a major barrier to prevent someone leaving homelessness behind for good. One client reflected how getting help with his sight helped him achieve his goals:

“Crisis even helped me get new glasses! During one of the classes, I was looking at the board and I could barely see. My support worker noticed and she referred me to the optician here at Crisis.”

Crisis helped hundreds of others register with GPs or access mental health coaching. After initially coming to Crisis for CV advice, another client soon started getting one-to-one support with her mental health.

“I never thought in my life it would take me to where I am,” she said. “At first, if you would have just flicked me I would have disappeared. And I wanted to disappear. But not anymore.”

Did we hit our targets?

Measure	2014/15 target	2014/15 result	2015/16 target
People supported to improve their mental health	510	628	701
Healthcare consultations delivered at Crisis at Christmas	800	745	2,000

Education

Crisis' classes and courses engage, inspire and educate homeless people, helping build a new routine to break the chaos and isolation of homelessness.

The classroom setting can give clients direction, boosting their self-confidence and helping them to believe in a brighter future. For many of our clients, Crisis' end of term celebration events will mark the first time in their life that they have received a certificate of learning achievement. Crisis' activities can also help people learn how to cope better with everyday life and re-engage with society.

Our World Book Night celebration in Birmingham was a chance to celebrate the strides that people in the city had taken towards boosting their literacy skills. Meanwhile, our award-winning

Cookery on a Budget class in Edinburgh taught clients how to manage their own health, and the health of their finances.

Ahead of the General Election, Crisis voter registration sessions the length of the country didn't just help homeless people learn more about the political process, they also helped them feel invested in society and have their say.

As well as giving our clients a chance to re-engage with the world, Crisis' education services help people take the first steps back towards work and financial stability. While some of our homeless clients came together socially to create their own stop motion animation project at Crisis' new training workshop in Merseyside, many others used the space to gain practical skills towards a new vocation at Crisis' Tiling, Woodwork and Plumbing sessions.

Did we hit our targets?

As referred to in the Chief Executive's statement, cuts to street outreach, hostels and other frontline services have led to fewer people being referred to Crisis and has significantly affected the number of people benefitting from our education and other services. Work is underway to address this issue and to ensure that we reach as many homeless people as possible.

MEASURE	2014/15 target	2014/15 result	2015/16 target
People who participated in a Crisis learning activity	7,684	6,276	6,775
People who gained a certificate or qualification	1,935	1,307	1,554
Total certificates/qualifications awarded	3,150	2,779	2,933
People who participated in an external training course	706	604	722

Employment

Lack of work is a cause and consequence of homelessness. But 97 per cent of homeless people say they want a job. Crisis' first ever national Employment Fortnight saw hundreds of homeless people across the country showcase their skills to local and national employers, including recruitment agencies and leading organisations from the construction, catering and hospitality industries.

"I want to work, because I want to pay rent, I have to pay rent," one client reflected. "These are new worries that I'm happy to take on because that's life. I want to be a productive citizen."

In Newcastle and London, Crisis' training cafés have had a complete makeover. The newly branded Cafés from Crisis continue to help

homeless people gain jobs in hospitality and other industries.

Meanwhile, we awarded 248 Changing Lives Grants to help clients start work, establish their own business or access external training and courses. From setting up as hat makers and gardeners to providing the fees to gain qualifications and tools for work in the construction trade, Crisis' grants can provide that vital boost to help homeless people on the road towards financial independence.

Everyone we meet will need different support to help them find work. Crisis' one-to-one job coaching service provides tailored support with job searching, CV writing and mock interviews to help people on their own route out of homelessness and towards a sustainable job or career.

Did we hit our targets?

MEASURE	2014/15 target	2014/15 result	2015/16 target
People supported into work	612	672	750
People supported by a progression coach	1,568	1,586	1,945

Arts

For someone facing the turmoil of homelessness, the creative arts can provide respite, a chance to recover and a calm environment to begin building new social relationships. The arts can also provide a crucial step towards Crisis' other education services, qualifications and a new life.

Everyone's journey out of homelessness is different – that's the story that members of Crisis' Art classes in Oxford told through their *Making Tracks* exhibition. One of the artists explained: *"For me, being at Crisis is about making a journey on so many levels. And I have found new ways of making a journey through art."*

In South Yorkshire, young homeless people teamed up with artist Philip Padfield to design and create a piece of urban wall art. The experience enabled them to get together socially and put their own stamp on the hostel where they live.

Crisis' Music and Drama classes foster an inspiring environment that helps people whose confidence has hit its lowest ebb to express themselves and perform in front of others. For some, the arts can form the basis of a new career, and clients in London got an insight from the peak of the creative industries when musicians Emeli Sandé and Ed Sheeran and actor Ashley Walters visited Crisis' services.

In Edinburgh, homeless people from across Crisis' Performance, Writing, Music, Photography and Film Making classes got a sense of achievement from working together to create their own multimedia production *Home*. One member of the group, which went on to win the 'Learner Voice' category in the 2015 Adult Learning Impact Awards, described taking part in the project as *"the most confidence-building period of my life."*

Housing

Everyone has a right to a home; and a safe and stable home provides a foundation to break the cycle of homelessness for good. But single homeless people too often remain last in line for help. Renting privately is increasingly their only option.

As cuts to benefits bite and rising rents put more properties out of reach, we are here to help more homeless people navigate the path towards a new home. We have created new housing coach roles in all of Crisis' services, transforming our existing housing offer in London and Oxford into a UK-wide one. Supported by Crisis' *Renting Ready* training, our coaches help homeless people prepare themselves for the day-to-day responsibilities of renting, and support them to find and sustain a tenancy.

As well as helping our own clients to find somewhere to live, Crisis enables other local housing schemes to help homeless people into

a secure home. Following the success of the Crisis' Private Rented Sector Access Programme, Government funding enabled us to support and fund 42 local housing schemes in England. Of the 1,405 of tenancies created through these schemes last year, 89 per cent were sustained for more than six months.

With Scottish Government funding, Crisis supported 30 schemes to create tenancies for homeless people. Government funding for our Sharing Solutions programme – which helps homeless people find a shared home and cope with living there – has come to an end. But, with the prospect of further cuts to housing benefit, sharing remains the only option for many homeless people. That's why we have invested our own resources to continue to fund seven schemes in England to help homeless people find shared tenancies that work. This work has led to the launch of Crisis' Sharing Solutions Toolkit – a best-practice guide to help other organisations working with homeless people moving into shared accommodation.

Did we hit our targets?

MEASURE	2014/15 target	2014/15 result	2015/16 target
People helped to improve and sustain housing	453	443	756
Tenancies created through funding and supporting private renting access schemes	1,372	1,405	1,065
Projects supported to create and sustain private tenancies	51	49	54

Crisis at Christmas

Thanks to generous donations, Crisis was able to offer warmth, companionship and vital services for more homeless people than ever before at Christmas.

Nurses, podiatrists, chefs, hairdressers and dentistry professionals were among the 9,983 volunteers who donated their time to make Christmas special for our guests. By taking advantage of services they might struggle to access for the rest of the year, our guests were able to feel healthier and more able to make the journey out of homelessness.

And when they were ready to take the first steps, 119 volunteers who have accessed Crisis' year-round support were on hand to share their experience and help people move into our services in the new year.

One guest reflected on the boost he got from speaking to a formerly homeless volunteer.

"People who are homeless like me, we keep getting back up," he said. "We're still persevering with the whole thing. I actually met someone who's volunteering who used to be homeless. The experience has told me that there are services I can use. I can go to Crisis – it doesn't stop here."

Following our first Crisis at Christmas in Edinburgh in 2013, we opened our doors for longer, welcoming more than 280 homeless people in from the cold on Christmas Day and Boxing Day. In Newcastle, more than 240 guests tucked into a delicious Christmas dinner provided by local Grainger Market. Many thousands more enjoyed the festivities at our 10 Christmas centres in London.

Across all our Christmas centres everyone we meet is different and everyone has different reasons for becoming homeless. We helped hundreds of people take practical steps to address their own circumstances and work towards a brighter future through our advice services on a range of issues including benefits and housing.

Did we hit our targets?

MEASURE	2014/15 target	2014/15 result	2015/16 target
Crisis at Christmas guests provided with shelter, support or services	4,200	4,311	4,400
Clients involved as volunteers	120	119	109

Campaigning

No one should be forced to sleep rough. But Crisis' *Turned Away* research presented shocking evidence of how single homeless people in England are routinely turned away by local councils when they ask for help with their housing.

Following intervention from Crisis and Shelter, the Supreme Court ruled that some of the most vulnerable people, who would not previously have qualified for help from their council, now will. But still many will be turned away – cold, desperate and forgotten. Crisis will campaign for a change in the law until all homeless people can get the help they need.

Homeless people and those on the brink remain onlookers to the economic recovery. Year four of our *Homelessness Monitor* research revealed that the combined impact of the housing crisis and welfare cuts have left growing numbers struggling to keep their home in England. Meanwhile, a report for Crisis presented evidence of a flawed and punitive sanctions regime with devastating consequences for homelessness.

We have worked closely with other leading charities to campaign against welfare cuts and have protected vital funds for vulnerable people. We have also collaborated with other organisations to challenge negative stereotypes of people receiving benefits as part of the *Who Benefits?* campaign.

Crisis is better placed than ever to campaign on local and national issues. With Scotland likely to get more devolved powers, we have grown our policy voice in Edinburgh. Meanwhile, in Oxford and Merseyside, our local campaigning has taken root. The Oxford group were part of a successful local campaign to oppose council plans to criminalise some people sleeping rough in the city.

Part of the solution to homelessness lies in building more genuinely affordable homes. As a key partner in the *Homes for Britain* coalition, we helped to ensure that the voice of those at the very sharp end of Britain's housing crisis was heard in calls for a long-term solution.

Did we hit our targets?

MEASURE	2014/15 target	2014/15 result	2015/16 target
Statements from politicians committing to tackle homelessness	5	7	10
Number of actions taken/ e-campaigners	20,000/9,000	63,510/35,331	65,000/40,000
Website visitors	1.3mil	1.1mil	1.3mil
Advertising value of media coverage achieved	£7mil	£8.7mil	10.0mil

Making Crisis work

Crisis' staff, volunteers, clients, donors and fundraisers share a common purpose – to end homelessness. As Crisis grows, we are building new systems to help us work better together to that end.

In a changing environment, homeless people face new pressures in their day-to-day lives. It is as important as ever that our clients' experiences are central to the way we work. That's why we have invested in a new client involvement role, dedicated to ensuring that our clients' views are felt throughout our services. Our clients are also increasingly involved in recruiting Crisis staff and this year joined panels responsible for the appointment of new service directors in Newcastle and London.

We are determined to build on this and work towards putting the lived experience of homelessness and homeless people at the heart of all we do.

Homeless people don't just have a say in how our services operate, they also have a hand in delivering them. From teaching classes, to providing administrative support or offering companionship and advice at Crisis at Christmas, more than 500 clients volunteered with Crisis last year. And 18 per cent of Crisis staff, including people who once accessed our services, have experienced homelessness themselves.

To be more effective in helping our clients move out of homelessness, we need to know where they are on their journey. So our new Outcome Framework breaks down people's progress – into health and wellbeing, financial security, housing stability and positive relationships – to let us give the right support exactly where it is needed.

This year Crisis' services were boosted with the support of more than 10,200 members of the public who donated their time to volunteer with Crisis. Without their commitment, energy and skills, we would simply not be able to help so many people on their journey out of homelessness.

Did we hit our targets?

MEASURE	2014/15 target	2014/15 result	2015/16 target
Volunteers recruited to help Crisis across the year	9,000	10,218	10,798
Clients volunteering	541	526	530

Fundraising

Crisis is privileged to receive a large proportion of its income from members of the public who feel moved to help us end homelessness. This protects our independence and allows us to be agile in the way we deliver our services where people need them most.

No one should experience the devastation of homelessness. This year thousands of individual fundraisers stood firmly behind that conviction. Nearly 2,000 people laced up their running shoes for the Crisis Square Mile Run, dozens of people braved a zipwire over the River Tyne, and many others jumped into an ice-cold lido at the Crisis Midwinter Swim. Crisis supports fundraisers from all walks of life to raise money in a way that works for them. Our first ever Fundraising Manager in Scotland extends that reach further across the UK.

Individual donations remain as important as ever for Crisis. More people donated more money than ever before to reserve a place for someone who's homeless at Crisis at Christmas, including five-year-old Freddie from Waltham Abbey, who

sold his scribbles to raise a remarkable £1,680 to support our guests.

Crisis Christmas Party 2014 went from strength to strength, and was fronted by comedian Jo Brand, with fellow Crisis supporter Hairy Biker Si King also joining the festivities when he cooked Christmas dinner with all the trimmings at Café from Crisis in Newcastle. Meanwhile, we continue to benefit from businesses, trusts and foundations investing in our work, allowing Crisis to deliver a greater breadth and depth of services to help more people leave homelessness behind for good.

There has been public concern expressed about some fundraising approaches and techniques that charities use. As a charity that relies on the generosity of the public we have to ask people to donate, and we are committed to the highest levels of professionalism and courtesy when we do this.

Our supporters are at the heart of everything we do, and we strive to achieve the very best levels of supporter care, ensuring that our supporters can be proud of all that we do.

Structure, governance and management

Structure

Crisis UK is a registered charity and a company limited by guarantee and is governed by its Memorandum and Articles. The charity has one wholly owned subsidiary undertaking, Crisis at Christmas, a trading company. The principal activities of the trading company are sponsorship and miscellaneous trading activities.

Trustees

The Board of Trustees of Crisis UK currently comprises 12 members who meet at least six times a year to review strategy, business plans and operations. One of those meetings is at least one day in duration which allows an in depth review of the charity's past performance and future direction.

Trustees are appointed on a three year term and are eligible for re-election for a second term. A trustee holds office for a maximum of six years unless the Nominations Committee recommends otherwise and a majority of the Board of Trustees agree. Terms of office may be extended for up to a further three years and the Nominations Committee may recommend extending the term of office for further periods of up to three years if appropriate.

Trustees are recruited through national advertisements, although personal recommendations are also used where specific skill sets are required. All successful candidates are selected through a rigorous interview process involving the Nominations Committee and the chief executive.

All new trustees take part in an induction programme which is designed to ensure that they fully understand their roles and responsibilities, as well as the objects, activities and ethos of the charity.

Trustee sub-committees

The trustees delegate authority for the review of financial information and audit issues to the Finance Committee, who in turn make recommendations to the Board on related issues. The Finance Committee currently comprises four trustees. Three members of the charity's senior management team also attend all meetings.

The Remuneration Committee comprises a minimum of three trustees to whom the trustees have delegated responsibility for:

- Setting the remuneration of the chief executive
- Receiving recommendations on the remuneration of the senior management team and authorising as appropriate
- Scrutinising and authorising changes to the organisation's remuneration structure

The Nominations Committee comprises three trustees, including the chair and deputy chair, and the chief executive and has delegated responsibility for:

- Making recommendations to the Board on the extension of a trustee's term of office
- Recruitment of and recommendation to the Board of new trustees

Further committees are set up as and when required to review specific issues, to which additional specialists are co-opted if appropriate, in addition to selected trustees.

Senior Management Team

The trustees delegate the day to day operations of the charity to the senior management team (SMT). The SMT comprises seven members with clear lines of responsibility for specific areas of the organisation.

The trustees have worked with the SMT to develop the longer term strategic plans for the charity. Responsibility for the implementation of the plans is delegated to the SMT through agreed one year business plans.

Staff and volunteers

The commitment of our staff and volunteers is vital for the ongoing success of our organisation, in terms of the time, skill and passion that they dedicate to delivering the best possible services for homeless people.

Crisis continues to be extremely fortunate that it can call on the support of more than 10,000 volunteers. Their contributions are invaluable to our work and help shape the unique character of the charity.

Public benefit statement

In accordance with the Charities Act 2006, Crisis is required to confirm that the activities it undertakes to achieve its objectives are all carried out for the public benefit as described by the Charity Commission.

The beneficiaries of the charity are members of the public who are in need because of homelessness and associated issues. Through its activities, Crisis seeks an end to homelessness by delivering life-changing services and campaigning for change. The Trustees have described in this report the charitable public benefit of our activities. The Trustees regularly review Crisis' progress against its aims and objectives and confirm that they have complied with the duty in section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charity Commission.

Financial review

Crisis' principal activities are the provision of a range of life-changing services to homeless people and campaigning on their behalf.

The year ended 30 June 2015 was the second year of Crisis' five year strategic plan. This plan assumed that the charity would incur deficits in the first four years as growth in services for homeless people outstripped income.

We increased our expenditure for the year from £22.4 million to £25.8 million. Underlying charitable expenditure on services and campaigning increased by 10% to £16.7 million, in part the full year costs of Skylights in Sheffield and Coventry which opened during the previous financial year. We again increased our expenditure on fundraising in part to finance this increased expenditure but, more importantly, to invest in growing the income required for the remaining years of the strategic plan.

The percentage of our expenditure spent on charitable activities declined slightly to 65%. This reflected the above-mentioned increase in fundraising expenditure support planned growth in services. Crisis receives the majority of its fundraised income from individuals, companies and trusts and has little reliance on statutory income. This enables us to have financial resilience and to speak for homeless people from a position of independence but also requires us to invest significant resources on fundraising.

Total incoming resources for the year ended 30 June 2015 increased from £23.5 million to £25.7 million. There was a very pleasing increase in donations from individuals which more than compensated for decline in income from the Department of Communities and Local Government (to fund private rented sector access schemes). Crisis is fortunate to secure financial support from a broad spread of sources and benefits from the committed support of a large number of individuals, companies, trusts and others. This includes the support of the Big Lottery Fund for the initial years' operations of Crisis Skylight centres opened in recent years.

A deficit of £0.1 million was recorded in the year. As a result of this and planned transfers to and from designated funds, Crisis' general reserves have declined to £9.2 million. This is better than anticipated at the start of the current five year plan but we still expect significant deficits in the next two financial years as we continue the planned growth in services for homeless people. The ongoing support that we continue to receive from a large number of committed supporters is essential to deliver this growth.

Crisis reserves policy

Crisis's reserves policy is designed to reflect the underlying risks facing the charity and to ensure that Crisis has an appropriate level of reserves to safeguard its operations and services to homeless people.

Crisis holds restricted funds in accordance with donors' requirements. In addition, Crisis has established designated reserves for planned future requirements, in particular the opening and initial operations of new centres, in accordance with our strategic plans.

The trustees consider on an annual basis the minimum level of free reserves, i.e. excluding restricted and designated reserves, required to support the charity's operations. Relevant factors include projected financial performance including cash flow requirements, the findings from Crisis' risk management processes and an assessment of the risks to the charity's income streams. As noted above. We anticipate financial deficits through to 2017 and this has been taken into account in assessing the required level of reserves.

Following this review, the trustees have determined that the minimum required level of free reserves is £9.0 million, which is in line with actual free reserves at 30th June 2015 of £9.2 million.

The requirement and underlying factors are considered annually and the minimum reserves requirement is, therefore, expected to change over time.

Plans for future periods

Crisis has now completed the first two years of its current five year strategic plan. In financial terms we are in a much stronger position than anticipated, which has allowed us to bring

forward some of our plans (including the provision of housing coaching services in all Skylights). Nevertheless, our plans continue to be ambitious and not without risk, including with regard to our ability to finance the planned growth; in the final year of the plan, projected expenditure is in the order of £32 million, which compares with £25.8 million for the year ended June 2015.

Our strategic objectives remain as stated in our plan, which is available on our website, as follows:

- Delivering services in housing, health, education and employment;
- Increasing knowledge, changing attitudes and influencing government;
- Raising funds, developing staff and improving office systems.

Investment management

Under Crisis' investment policy, the organisation holds a balanced portfolio of investments. Funds equivalent to the lower of 10% of budgeted expenditure (excluding non cash items, gifts in kind and expenditure for which restricted funding has already been secured) or 25% of actual free reserves may be held in common investment funds.

The majority of our funds continue to be held in cash or cash equivalents and the investment portfolio and its performance are scrutinised four times a year by the Finance Committee.

There was an unrealised appreciation on investment holdings of £30,000 during the year, in addition to investment distributions. Investments are held in the anticipation that the total return from the investment portfolio will prove satisfactory over a ten year timescale.

Socially responsible investment

The trustees have considered the implications of using ethical and socially responsible criteria alongside financial criteria in decisions relating to fixed asset investments. For example, they have considered whether we should explicitly exclude certain business activities from our investment portfolio.

The trustees believe that the charity's interests are best served by investing in well diversified portfolios, seeking the maximum expected financial

returns within an acceptable level of risk. In addition, the trustees are mindful of the non-financial considerations of selecting any fund and will select portfolios that do not hold investments that conflict with the mission of Crisis.

This policy is reviewed regularly by the trustees.

Risk management

No system of internal control is able to give absolute assurance against material misstatement or loss. However, Crisis believes that it has appropriate procedures and controls to adequately mitigate against risks to which it is exposed.

Systems include:

- a long-term strategic plan, annual business plan and annual budget, all of which are approved by the trustees;
- regular consideration by the senior management team and trustees of financial results, variance from budgets, non-financial performance indicators and benchmarking reviews;
- in depth review of financial performance and risk by the Finance Committee, including review of growth planning;
- scaled authority levels and segregation of duties; and
- identification and management of risks.

Crisis' approach to risk management includes the identification of risks on both 'top down' and 'bottom up' bases, and the rating of identified risks according to the likelihood and impact of the risk occurring. Mitigating controls have been identified and, where further action is required, deadlines and responsibilities assigned. Those activities with higher risk ratings are prioritised. In addition to review by the senior management team and the Finance Committee, the risk register is reviewed annually by the Board of Trustees, who also receive a mid-year update on key risks.

The main risks facing Crisis have been identified as including the reputational damage that would result from a high profile operational issue, increased regulation and restrictions impacting adversely on fundraising, developing a new model for Crisis at Christmas that does not rely on large warehouse space in or near to central London and reduced partner engagement (due to financial pressures) threatening referrals to Crisis' services.

In addition, Crisis' five year strategic plan requires a substantial increase in income in order to fund the increase in services that we are planning. Crisis' income is obtained from a variety of sources, thus diversifying the risk of failure of a singular source. Nevertheless, we start each year with less than 20% of our income committed.

Detailed objectives are set annually for all aspects of Crisis' activities. Progress against these objectives is monitored monthly by the senior management team and quarterly by the Board of Trustees.

Statement of trustees' responsibilities

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

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

The trustees are responsible for keeping proper 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, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and the group 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; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the 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.

Approval

This report was approved by the Board of Trustees on 24 September 2015 and signed on its behalf by:

Steve Holliday
Chair of trustees

Independent auditor's report to the members and trustees of Crisis UK

We have audited the financial statements of Crisis UK for the year ended 30 June 2015 which comprise the consolidated statement of financial activities, balance sheets, consolidated cashflow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members and trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. Our audit work has been undertaken so that we might state to the charitable parent company's members and trustees those matters we are required to state to them in an auditors' 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 and trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

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.

We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 30 June 2015 and of the group's incoming resources and application of resources, including the group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

Opinion on other matters prescribed by the Companies Act 2006

In our opinion 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- the parent charitable company has not kept proper and adequate accounting records or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records or 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.

Joanna Pittman

Senior statutory auditor
for and on behalf of Sayer Vincent LLP,
Statutory Auditors
Invicta House
108-114 Golden Lane
London EC1Y 0TL
Sayer Vincent is eligible to act as an auditor in
terms of section 1212 of the Companies Act 2006

Consolidated statement of financial activities

for the year ended 30 June 2015

Incorporating an income and expenditure account

	Notes	2015 Unrestricted £'000	2015 Restricted £'000	2015 Total £'000	2014 Total £'000
Incoming resources					
Incoming resources from generated funds:					
<i>Voluntary income</i>					
Donations, legacies and similar income	2a	16,705	1,888	18,593	15,987
Gifts in kind	2b	-	698	698	696
Donated services and facilities	2c	-	1,131	1,131	1,100
<i>Activities for generating funds:</i>					
Events		574	53	627	593
Rental income		124	-	124	128
Retail Income		8	-	8	-
Commercial trading operations		107	-	107	59
Incoming resources from charitable activities	2d	379	3,901	4,280	4,762
Investment income		103	-	103	140
Other income		75	-	75	67
Total incoming resources		18,075	7,671	25,746	23,532
Resources expended					
Costs of generating income	3	8,735	172	8,907	7,074
Retail costs		71	-	71	-
Total cost of generating funds		8,806	172	8,978	7,074
Net incoming resources available for charitable application		9,269	7,499	16,768	16,458
Charitable expenditure	3				
Christmas		332	1,988	2,320	2,096
Campaigning and influencing		942	247	1,189	937
Education, health and wellbeing		5,532	3,246	8,778	7,578
Housing		584	1,159	1,743	2,307
New developments		345	-	345	226
Employment		323	646	969	827
Volunteering		247	-	247	171
Social enterprise		963	39	1,002	947
Changing Lives		130	10	140	131
Total charitable expenditure		9,398	7,335	16,733	15,219
Governance costs	3	128	-	128	121
Total resources expended		18,332	7,507	25,839	22,414
Net incoming / (outgoing) resources before transfer		(257)	164	(93)	1,118

Consolidated statement of financial activities

for the year ended 30 June 2015

Incorporating an income and expenditure account

	2015 Unrestricted £'000	2015 Restricted £'000	2015 Total £'000	2014 Total £'000
Net incoming / (outgoing) resources before transfer	(257)	164	(93)	1,118
Transfer between funds	100	(100)	0	
Net incoming / (outgoing) resources before other recognised gains and losses	(157)	64	(93)	1,118
Net gains/(losses) on investment assets	30	-	30	59
Net movement in funds	(127)	64	(63)	1,155
Funds brought forward at 1 July	15,059	1,333	16,392	15,237
Funds carried forward at 30 June	14,932	1,397	16,329	16,392

No other gains or losses were recognised in the year other than those shown above. The deficit for the year for Companies Act purposes including realised losses and gains on investments but excluding unrealised gains and losses on investments would be £93,000 (2014: £1,116,000).

Balance sheets

at 30 June 2015

	Notes	Consolidated 2015 £'000	Consolidated 2014 £'000	Crisis UK 2015 £'000	Crisis UK 2014 £'000
Fixed assets					
Tangible fixed assets	9	2,578	2,634	2,578	2,634
Investments	10	684	654	684	654
		3,262	3,288	3,262	3,288
Current assets					
Stock		7	28	7	28
Debtors	11	908	827	965	828
Short term deposits		13,133	13,125	13,133	13,125
Cash at bank and in hand		247	186	189	183
		14,295	14,166	14,294	14,164
Creditors : Amounts falling due within one year	12	(1,228)	(1,062)	(1,217)	(1,050)
Net current assets		13,067	13,104	13,077	13,114
Total assets less current liabilities		16,329	16,392	16,339	16,402
Net assets		16,329	16,392	16,339	16,402
Represented by:					
Unrestricted income funds					
General fund	14	9,236	10,392	9,246	10,401
Designated funds					
New developments		4,117	3,116	4,117	3,116
Tangible fixed asset reserve		1,579	1,551	1,579	1,551
Total designated funds		5,696	4,667	5,696	4,667
Total unrestricted funds	15	14,932	15,059	14,942	15,068
Restricted income funds	15	1,397	1,333	1,397	1,333
Total funds	15	16,329	16,392	16,339	16,401

The financial statements on pages 24 to 42 were approved by the Board of Trustees on 24th September 2015 and signed on their behalf by:

Steve Holliday
Chair of Trustees

Andrew Newell
Trustee

The notes on pages 28 to 42 form an integral part of these financial statements.

Company registered number 4024938. England and Wales charity number 1082947.
Scotland charity number SC040094.

Consolidated cash flow statement

for the year ended 30 June 2015

	Notes	2015 £'000	2014 £'000
Inflow/(outflow) from operating activities	20	407	1,526
Returns on investments			
Investment income		103	140
Capital expenditure			
Payments to acquire tangible fixed assets	9	(441)	(634)
(Decrease)/ increase in cash	21	69	1,032

Notes to the financial statements

for the year ended 30 June 2015

1. Accounting policies

a) Basis of accounting

The financial statements have been prepared under the historical cost convention as modified for the revaluation of current asset investments and in accordance with applicable UK law and accounting standards and the Statement of Recommended Practice, Accounting and Reporting by Charities, published in 2005 and on a going concern basis.

b) Consolidated accounts

Consolidated accounts have been prepared for the charity and its trading subsidiary, Crisis at Christmas. The results of the subsidiary have been consolidated on a line by line basis.

The unconsolidated result for the charity would have been a net surplus of £60,000 (2014- £1,080,000). The charity has taken advantage of S230 Companies Act 2006 and has not prepared a separate statement of financial activities for the charity.

c) Incoming resources

All incoming resources are accounted for in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. Where grants are received and relate to a specific future period, these are deferred.

Voluntary income, bank interest and grant income are recognised on a receivable basis.

Legacies are recognised at the earlier of the date that the notification of distribution is received or that the legacy is received. Income tax on covenants and gift aid declarations is accounted for on an accruals basis.

Gifts in kind are recognised as income when brought into use by the charity.

Gifts in kind and donated services and facilities have been included in income at an amount equivalent to the estimated value to the charity.

No amount has been included in the financial statements for services donated by volunteers.

d) Resources expended

Expenditure is accounted for on an accruals basis and allocated to the appropriate heading in the accounts.

Costs of generating funds comprise costs incurred in raising voluntary contributions (and do not include the cost of disseminating information in support of the charitable activities), the cost of sales from our trading company.

Grant commitments are recognised when contractual conditions are met by our partners and a constructive obligation exists.

Governance costs are associated with the governance arrangements of the charity which relate to the general running of the charity as opposed to those costs associated with fundraising or charitable activity. The costs include internal and external audit and costs associated with constitutional and statutory requirements such as the cost of trustees meetings and preparing statutory accounts. Included within this category are any costs associated with the strategic as opposed to day to day management of the charity's activities.

Support costs are general and overhead costs which are not specific to governance, costs of generating funds or direct charitable activities but which enable these activities to be undertaken. These costs include management, finance, IT, facilities, human resources and communications support costs and are allocated across the expenditure cost captions. The allocation is based upon an analysis of the resources utilised by each of these activities and is disclosed in note 6.

Irrecoverable VAT is charged as a cost in the Statement of Financial Activities.

e) Tangible fixed assets

Tangible fixed assets are stated at cost.

Office equipment, plant and machinery and vehicles are depreciated over four years on a straight line basis.

Leasehold improvements are depreciated over the period of the lease.

Freehold land and buildings are depreciated over fifty years from the date when they are ready for use.

Improvements to freehold land and buildings are depreciated over ten years from the date when they are ready for use.

Individual assets costing the organisation less than £1,000 are not capitalised but are written off to the Statement of Financial Activities.

Notes to the financial statements

for the year ended 30 June 2015

1. Accounting policies (continued)

f) Pension costs

Crisis UK operates a defined contribution group personal pension scheme for employees. The assets of the scheme are held separately from those of the charity. The annual contributions payable by the charity are charged to the Statement of Financial Activities.

g) Fund accounting

i) Restricted

Restricted funds comprise amounts donated for specific objectives. They are expendable in furtherance of certain particular aspects of the objects of the charity.

ii) Unrestricted

Unrestricted funds comprise amounts donated to the charity for general use. They are expendable at the discretion of the trustees, in furtherance of any aspects of the objects of the charity. There are two categories of unrestricted funds:

a) Designated

Designated funds comprise funds set aside out of unrestricted income by the trustees for the furtherance of particular aspects of the charity's objects. The trustees may, at their discretion, reallocate these funds back to the general fund (see below). Discretionary reallocations between designated and general funds are treated as transfers in the notes to the accounts.

b) General

General funds represent the accumulated unrestricted and undesignated surpluses. The general funds are available at any time for use at the discretion of the trustees for furtherance of the charity's activities and objectives.

Transfers from general funds to restricted funds are made when the income for specific activities does not cover the full costs. Transfers between designated funds and general funds are determined by the trustees where deemed appropriate.

h) Current asset investments

Current asset investments are shown in the balance sheet at market value. All equity investments are listed on a recognised stock exchange. Realised and unrealised gains and losses are included in the Statement of Financial Activities. All cash balances that cannot be withdrawn at any time, within twenty four hours notice and without penalty are treated as current investments.

i) Operating leases

Expenditure under operating leases is accounted for as incurred.

j) Foreign currencies

Transactions have been translated at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities are translated at the rate of exchange ruling at the Balance Sheet date. Any differences on translation are written off to the Statement of Financial Activities.

Notes to the financial statements

for the year ended 30 June 2015

2 Incoming resources

	2015 Unrestricted £'000	2015 Restricted £'000	2015 Total £'000	2014 Total £'000
a) Donations, legacies and similar income				
Individuals and legacies	14,932	1,661	16,593	13,881
Trusts	355	-	355	243
Corporates	951	-	951	1,344
Community groups	467	227	694	519
	16,705	1,888	18,593	15,987

The charity has been notified of legacies with an estimated value of £687,000 (2014: £461,000) which have not been recognised as income at 30 June 2015 because no confirmation of impending distribution or notification of estate accounts being finalised has been received.

b) Gifts in kind

Gifts in kind for charitable purposes	-	698	698	691
Gifts in kind for fundraising purposes	-	-	-	5
	-	698	698	696

c) Donated services and facilities

Analysis of major items				
Publicity and advertising	-	171	171	168
Legal costs	-	62	62	30
Training	-	79	79	80
Buildings and facilities	-	819	819	822
	-	1,131	1,131	1,100

d) Incoming resources from charitable activities

Christmas	-	226	226	171
Campaigning and influencing	9	267	276	316
Education, health and wellbeing	-	1,652	1,652	1,811
Housing	-	1,105	1,105	1,719
Employment	-	627	627	191
Social enterprise	370	24	394	449
Changing Lives	-	-	-	105
Total incoming resources from charitable activities	379	3,901	4,280	4,762

Notes to the financial statements

for the year ended 30 June 2015

3. Resources expended

	Grants payable (Note 4) £'000	Staff costs (Note 5) £'000	Other direct costs £'000	Gifts in kind and donated services £'000	Allocation of support costs (Note 6) £'000	2015 Total £'000	2014 Total £'000
Costs of generating funds							
Costs of generating income	-	1,373	6,998	172	364	8,907	7,074
Retail costs	-	26	45	-	-	71	-
	-	1,399	7,043	172	364	8,978	7,074
Charitable activities							
Christmas	-	402	349	1,426	143	2,320	2,096
Campaigning and influencing	-	604	432	-	153	1,189	937
Education, health and wellbeing	-	4,958	2,059	231	1,530	8,778	7,578
Housing	1,025	411	190	-	117	1,743	2,306
New developments	-	242	66	-	37	345	226
Employment	-	641	150	-	178	969	827
Volunteering	-	159	50	-	38	247	171
Social enterprise	-	517	317	-	168	1,002	947
Changing Lives	100	28	2	-	10	140	131
	1,125	7,962	3,615	1,657	2,374	16,733	15,219
Governance	-	87	41	-	-	128	121
Support costs	-	1,803	935	-	(2,738)	-	-
Total	1,125	11,251	11,634	1,829	-	25,839	22,415

Total resources expended include the following amounts:

	2015 Total £'000	2014 Total £'000
Auditors' remuneration		
Audit fees - year end accounts	17	16
Grant audits	2	2
Depreciation	495	493
Operating leases - land and buildings	813	604

Notes to the financial statements

for the year ended 30 June 2015

4. Grants payable

	Grants to institutions £'000	Grants to individuals £'000	2015 Total £'000	2014 Total £'000
Private Renting Programme	865	-	865	885
Sharing Solutions Programme	160	-	160	720
Crisis Changing Lives	-	100	100	93
	1,025	100	1,125	1,698

The Private Renting Programme is a programme of investment in community based services to help single homeless people find and sustain good quality accommodation in the private rented sector. These services will assist single, non-statutory homeless people to overcome personal and financial barriers to renting, match them with landlords, and provide support to all parties. The ultimate aim is long-lasting independence for people in homes they can call their own. Grants were made to 34 organisations across the country with an average grant of £25,441.

The Private Rented Sector Sharing Solutions Programme was a programme of investment in supporting pilot schemes to deliver decent and sustainable shared accommodation in the private rented sector. Crisis identified and disseminated good practice among the pilot organisations to improve access to shared housing more widely. Grants were made to 7 organisations with an average grant of £23,000.

Crisis Changing Lives is a grants programme providing financial awards to people who are or have been homeless so that they may achieve their vocational goals, fulfil their potential and become independent. Grant applications can be made by individuals who are supported by a coach working at a Crisis Skylight centre to access training, buy tools for work or set up a business where a robust business plan is presented.

Notes to the financial statements

for the year ended 30 June 2015

5. Staff costs

	2015 Total £'000	2014 Total £'000
Wages and salaries	9,713	8,220
Social security costs	912	758
Pension costs	626	355
	11,251	9,333

Average full-time staff numbers

Christmas	12	12
Campaigning and influencing	13	10
Education, health and wellbeing	139	119
Housing	10	8
New developments	3	3
Employment	16	14
Volunteering	3	3
Social enterprise	18	16
Changing Lives	1	1
Fundraising	31	26
Retail	1	-
Support	39	33
Management	8	6
	294	251

Employees receiving remuneration in excess of £60,000 in the year:

£60,000 - £69,999	3	1
£70,000 - £79,999	2	1
£80,000 - £89,000	1	-
£100,000 - £109,999	-	1

All employees earning more than £60,000 participated in the pension scheme. The pension cost above represents contributions payable by Crisis. Of the total, £31,000 (2014: £26,000) related to higher paid employees.

Notes to the financial statements

for the year ended 30 June 2015

6 Allocation of support costs

The support costs have been allocated on the following bases:

	Cost £'000	Basis of allocation
Management	166	Time spent and headcount
Finance	224	Headcount
IT	1,003	Headcount
Facilities	177	Floor space and headcount
Human resources and volunteering support	451	Headcount
Communications	717	Headcount
	2,738	

	Management £'000	Finance £'000	IT £'000	Facilities £'000	Human resources £'000	Communications £'000	Total £'000
Christmas	9	12	52	9	24	37	143
Campaigning and influencing	9	12	56	10	25	40	152
Education, health and wellbeing	93	125	561	99	252	401	1,531
Employment	11	14	65	11	29	47	177
Volunteering	2	3	14	2	6	10	37
Social enterprise	10	14	62	11	28	44	169
Changing Lives	1	1	3	1	2	2	10
Housing	7	10	43	8	19	31	118
New developments	2	3	14	2	6	10	37
Cost of generating funds	22	30	133	24	60	95	364
	166	224	1,003	177	451	717	2,738

7 Pensions

The charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost charge represents contributions payable by the charity to the fund and amounted to £626,000 (2014: £355,000).

Contributions totalling £79,000 (2014: £91,000) were payable to the fund at the year end.

8 Trustee remuneration

Members of the Board of Trustees do not receive remuneration for their time and services. During the year, trustees expenses of £nil were reimbursed (2014: nil)

Trustees' liability insurance cover was purchased for a premium of £1,590 in the year (2014: £1,060).

Notes to the financial statements

for the year ended 30 June 2015

9 Tangible fixed assets

Consolidated and charity

Cost	Freehold land and buildings £'000	Leasehold improvements £'000	Office equipment £'000	Total £'000
At 1 July 2014	2,120	2,068	1,132	5,320
Additions	39	212	190	441
Disposals	-	(6)	(3)	(9)
At 30 June 2015	2,159	2,274	1,319	5,752
Depreciation				
At 1 July 2014	871	1,024	791	2,686
Charge for year	115	213	167	495
Disposals	-	(4)	(3)	(7)
At 30 June 2014	986	1,233	955	3,174
Net book value at 30 June 2015	1,173	1,041	364	2,578
Net book value at 30 June 2014	1,249	1,044	341	2,634

10 Fixed asset investment

Consolidated and charity

	2015 Total £'000	2014 Total £'000
Market value at 1 July 2014	654	617
Additions in the year	-	-
Net gain/(loss) on revaluation at 30 June 2015	30	37
Market value at 30 June 2015	684	654

At the year end, the value of fixed asset investments held in a common investment fund amounted to £658,000 (2014 : £620,000). The fund at 30th June 2015 was invested in UK and foreign equities (35%), infrastructure and property (11%) and the balance in cash and fixed interest. The historical cost of this investment was £569,000. The balance of the investments in equities and bonds are valued and recorded at £26,000 (2014: £34,000) and are quoted on the UK stock exchange. All shares held were received as donations and, accordingly, the historical cost of these investments in shares is £nil (2014: £nil).

Notes to the financial statements

for the year ended 30 June 2015

11 Debtors

	Consolidated 2015 £'000	Consolidated 2014 £'000	Crisis UK 2015 £'000	Crisis UK 2014 £'000
Income tax (gift aid) recoverable	304	334	304	334
Amounts due from subsidiary undertakings	-	-	58	17
Sundry debtors	160	113	159	97
Prepayments and accrued income	444	380	444	380
	908	827	965	828

12 Creditors:

Amounts falling due within one year	Consolidated 2015 £'000	Consolidated 2014 £'000	Crisis UK 2015 £'000	Crisis UK 2014 £'000
Trade creditors	539	386	528	374
Tax and social security	272	214	272	214
Other creditors	154	149	154	149
Accruals	263	313	263	313
	1,228	1,062	1,217	1,050

13 Obligations under operating leases

	Consolidated 2015 £'000	Consolidated 2014 £'000	Crisis UK 2015 £'000	Crisis UK 2014 £'000
Amount payable in the next 12 months under non-cancellable operating leases for leases expiring:				
<i>Land and buildings:</i>				
Less than one year	23	-	23	-
In one to two years	71	14	71	14
In two to five years	54	93	54	93
In six to nine years	665	497	665	497
	813	604	813	604

Notes to the financial statements

for the year ended 30 June 2015

14 Consolidated accumulated general fund

	2015	2014
	Total	Total
	£'000	£'000
Fund brought forward		
Charity	10,402	7,562
Subsidiary undertaking	(10)	(10)
	<hr/> 10,392	<hr/> 7,552
Surplus/(deficit) for the year		
Charity	(127)	1,424
Subsidiary undertaking	-	1
	<hr/> (127)	<hr/> 1,425
Transfer to designated funds	(1,029)	1,416
Fund carried forward		
Charity	9,246	10,402
Subsidiary undertaking	(10)	(10)
	<hr/> 9,236	<hr/> 10,392

Notes to the financial statements

for the year ended 30 June 2015

15 Unrestricted and restricted funds

	Brought Forward £'000	Income/ Gains in year £'000	Utilised in year £'000	Transfers £'000	Carried Forward £'000
Designated funds					
New developments	3,116	-	-	1,001	4,117
Tangible fixed asset reserve	1,551	-	-	28	1,579
Total designated funds	4,667	-	-	1,029	5,696
Unrestricted funds					
General funds	10,307	18,075	(18,332)	(929)	9,121
Unrealised investment gain	85	30	-	-	115
Total general funds	10,392	18,105	(18,332)	(929)	9,236
Total unrestricted funds	15,059	18,105	(18,332)	100	14,932
Restricted funds					
Costs of generating funds	-	172	(172)	-	-
Crisis Christmas	-	1,988	(1,988)	-	-
Education, health and wellbeing					
Crisis Skylight (capital)	1,039	-	(70)	-	969
London Crisis Skylight (revenue)	-	1,547	(1,547)	-	-
Learning Zone	1	525	(380)	-	146
Big Lottery - Oxford Skylight	-	30	(9)	-	21
Big Lottery - Newcastle Skylight	-	104	(104)	-	-
Big Lottery - Merseyside Skylight	-	106	(89)	-	17
Big Lottery - Edinburgh Skylight	-	112	(112)	-	-
Big Lottery - Coventry	-	52	(52)	-	-
Skylight Newcastle	-	187	(187)	-	-
Skylight Birmingham	-	15	(15)	-	-
Skylight Oxford	-	275	(275)	-	-
Skylight Edinburgh	-	91	(91)	-	-
Skylight Merseyside	-	13	(13)	-	-
Skylight Sheffield	-	205	(205)	-	-
Skylight Coventry	-	100	(98)	-	2
Campaigning and influencing					
Research	-	30	(30)	-	-
Policy and Influencing	187	237	(217)	-	208
Housing					
PRS Access Scheme & Sharing Solutions	59	1,039	(1,094)	-	4
PRS (Scotland)	-	66	(66)	-	-
Social enterprise					
Skylight Café (capital)	44	100	(14)	(100)	30
Skylight Café (revenue)	-	24	(24)	-	-
Employment	-	546	(546)	-	-
Changing Lives	-	10	(10)	-	-
Pre-employment	3	97	(100)	-	-
	1,333	7,671	(7,507)	(100)	1,397
Total funds	16,392	25,776	(25,839)	-	16,329

During the year, restricted grants received included the following: The Northern Rock Foundation £50,000, (2014: £50,000) Paul Hamlyn Foundation £66,000 (2014: £67,000)

Notes to the financial statements

for the year ended 30 June 2015

15 Unrestricted and restricted funds (continued)

Designated funds:

- (a) New developments** This reserve has been designated by the trustees to be used for new developments and represents the estimated capital and operating costs for the first three years of planned new centres for the next 36 months, net of projected income relating specifically to these projects.
- (b) Tangible fixed asset reserve** This reserve represents the net book value of tangible fixed assets in continuing use by the charity excluding those items which are included within restricted reserves

Restricted funds:

- (a) Private Renting Programme** During the year, the Department of Communities and Local Government agreed to fund a programme of investment in new community based projects to help homeless people to find and sustain accommodation in the private rented sector.
- (b) Crisis Skylight** In previous years the Department for Communities and Local Government (via Newcastle City Council) agreed to fund the capital costs of the development of a Skylight Centre in Newcastle to provide further activities and facilities for homeless people. Costs are now being depreciated in accordance with the depreciation policy.
- (c) Skylight Café** In 2004, the Office of the Deputy Prime Minister agreed to fund the capital costs of the construction of the Skylight Café in London. In 2008 the Department for Communities and Local Government agreed to fund the capital costs of the construction of the Skylight Café in Newcastle. Costs are now being depreciated in accordance with the depreciation policy.
- The transfer in the year represents the funds received in the year towards the refurbishment of the London Skylight Cafe which was completed in the year thus the restriction of the funds satisfied and there is no continuing restriction as to use hence the transfer to the unrestricted reserve.
- (d) Policy & Influencing** The Oak foundation agreed to fund a programme on Crisis policy and campaigning work. The balance represents unspent funds at the year end.

Consolidated fund balances at 30 June 2015 are represented by:

	Unrestricted £'000	Designated £'000	Restricted £'000	Total 2015 £'000	Total 2014 £'000
Tangible fixed assets	-	1,579	999	2,578	2,634
Fixed asset investments	684	-	-	684	654
Current assets	9,780	4,117	398	14,295	14,166
Current liabilities	(1,228)	-	-	(1,228)	(1,062)
Net assets	9,236	5,696	1,397	16,329	16,392

Restricted funds relating to the Skylight Centres and the Skylight Cafés are held in the form of tangible fixed assets. £1,579,000 of designated funds are held in the form of tangible fixed assets. All other restricted and designated funds are held in cash or cash equivalents.

Notes to the financial statements

for the year ended 30 June 2015

16 Capital commitments

At the year end Crisis had capital commitments of £Nil (2014: £Nil)

17 Related parties

Tim Child (trustee) is chairman of Deptford Reach, a day centre working with homeless people in South London, which has received a grant from Crisis of £25,000 (2014: £25,000), during the year under the Private Renting Programme.

Steve Holliday (trustee and chair) is a trustee of the charity Business in the Community of which Crisis provided catering services to Business in the Community of £1,213 (2014: £2,993).

Keith Felton, a member of the Crisis UK senior management team, is a trustee of Arts at the Old Fire Station (AOFS) who are a sub-tenant of Crisis UK in Oxford. No rental costs were charged as the costs are covered by a grant from Oxford City Council. Crisis provides services to the Arts on a full cost recovery basis.

Andrew Newell (trustee) is a trustee of Langley House Trust, a charity delivering offender rehabilitation services across England, which has received a grant from Crisis of £20,000 (2014: £20,000), during the year under the Private Renting Programme.

Notes to the financial statements

for the year ended 30 June 2015

18 Subsidiary companies

At 30 June 2015, Crisis UK had a wholly owned subsidiary, Crisis at Christmas which is a company limited by guarantee and incorporated in England and Wales. Crisis at Christmas manages the trading activities associated with the charity. The company gift aids any surplus net to Crisis UK.

A summary of the results of Crisis at Christmas is shown below:

Profit and loss account	2015	2014
	£'000	£'000
Turnover	107	59
Cost of sales	-	-
Gross profit	107	59
Administration costs	(14)	(21)
Profit on ordinary activities	93	38
Corporation tax paid	-	-
Gift aid payment to Crisis UK	(93)	(38)
Retained in subsidiary	-	-
Balance sheet	2015	2014
	£'000	£'000
Current assets:		
Debtors	-	17
Cash	58	1
	58	18
Current liabilities:		
Intercompany creditors	(57)	(17)
Other creditors	(11)	(11)
	(68)	(28)
Net current liabilities	(10)	(10)
Net liabilities	(10)	(10)
Represented by:		
Reserves	(10)	(10)

Crisis UK is prepared to provide continuing support to the trading subsidiary.

19 Parent company

The parent charity's gross income and the results for the year are disclosed as follows:

	2015	2014
	£'000	£'000
Gross income	25,887	23,474
Result for the year	60,000	1,080

Notes to the financial statements

For the year ended 30 June 2015

Notes to the consolidated cash flow statement

20 Reconciliation of changes in resources to net cash flow from operating activities

	2015 Total £'000	2014 Total £'000
Net incoming/(outgoing) resources	(93)	1,118
Investment income	(103)	(140)
Depreciation	495	493
(Decrease)/increase in creditors	168	23
(Increase)/decrease in debtors	(81)	60
(Increase)/decrease in stock	21	(28)
Net cash flow from operating activities	407	1,526

21 Reconciliation of net cash flow to movement in net funds

	2015 Total £'000	2014 Total £'000
(Decrease)/increase in cash in the period	61	(105)
Increase/(decrease) in short term deposits	8	1,137
	69	1,032
Net funds at 1 July	13,311	12,279
Net funds at 30 June	13,380	13,311

22 Analysis of changes in cash during the year

	At 1 July 2014 Total £'000	Cash flows £'000	At 30 June 2015 Total £'000
Cash at bank and in hand	186	61	247
Amounts held on short term deposit	13,125	8	13,133
Net funds	13,311	69	13,380

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Registered Charity Numbers: E&W1082947, SC040094.



LOTTERY FUNDED

Funded by The National Lottery
through Big Lottery Fund

Homelessness ends here