



Together  
we will end  
homelessness

# ONE YEAR CLOSER TO ENDING **HOMELESSNESS**

Trustees' annual report and accounts for the year  
ended 30 June 2019

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# ABOUT US

We are the national charity for homeless people. We help people out of homelessness and campaign for the changes needed to solve it altogether.

Through our services, we support people out of homelessness for good. We do this through education, training and support with housing, employment and health.

We carry out pioneering research into the causes and consequences of homelessness and campaign for the changes needed to end it for everyone, for good.

# OUR VALUES

Our values are at the heart of everything we do as we continue in our mission to end homelessness.



## Inspiration

We can and 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 gives 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 adaptable, willing to change what we do based on 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.

# Improved housing situations for 1,260 people.



## 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 <sup>^</sup> ~

### Trustees

Terrie Alafat <sup>^</sup> ~  
Martin Cheeseman <sup>\*#</sup>  
Caroline Lee-Davey <sup>\*</sup>  
Emma Foulds <sup>\*</sup>  
(resigned 28 March 2019)  
Victoria Fox <sup>#</sup>  
(appointed 4 April 2019)  
Julia Goldsworthy  
Ann Gee <sup>#</sup>  
Richard Murley <sup>\*</sup>  
(resigned 18 April 2019)  
Geetha Rabindrakumar <sup>\*</sup>  
Peter Redfern <sup>~</sup>  
(resigned 18 April 2019)  
Damien Régent <sup>\*</sup>  
Tamsin Stirling  
(appointed 4 April 2019)  
Jason Warriner <sup>#</sup>  
Robert Weston <sup>\*</sup>  
(appointed 4 April 2019)

<sup>\*</sup> member of the Finance, Audit and Risk Committee

<sup>^</sup> member of the Nomination Committee

<sup>~</sup> member of the Remuneration Committee

<sup>#</sup> member of the Client Services Governance Committee

### Company Secretary

Keith Felton

### Senior Management Team

Jon Sparkes,  
*Chief Executive*  
Matthew Downie MBE,  
*Director of Policy and External Affairs*  
Sarah Farquhar,  
*Director of Organisational Development*  
Keith Felton,  
*Director of Corporate Services*  
Richard Lee,  
*Director of Fundraising*  
Rebecca Pritchard,  
*Director of Services*

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### Senior Statutory Auditor

Joanna Pittman

### Auditors

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Company registration no: 4024938

Charity registration no: England and Wales 1082947; Scotland SC040094



# SHIRLEY'S STORY

"I was working as a journalist for a newspaper, and I was also singing, and teaching children on Saturday mornings. I loved London. Even the weather.

"I was living a normal life and was happy. But then I had a difficult situation with my family, and in the same year my dad died and I never got the opportunity to speak to him beforehand. I struggled with depression and lost touch with people. I had nowhere to go."

Shirley didn't get the support she needed. Mental health services are so stretched, it can be really hard for people to receive the right support at the right time. And with rising rents increasingly unaffordable for many people, it can be impossible to find somewhere to live.

"The doctor put me in touch with social services. They found place for me in a hostel for women only. I stayed eight months on the floor of the hostel. I didn't have a life anymore and really lost myself."

Shirley was using her student loan to pay her rent for the hostel, but the money ran out after a few months and there was no more support available, so she had to leave.

Without savings to use for a rental deposit and long waiting times for council homes, finding somewhere to rent can be a huge challenge. People often end up sofa-surfing, sleeping on public transport, or on the streets.

"Then I stayed with a lady who took pity on me and let me stay in her spare room, but I had to leave after two months because she went travelling. I went to another friend's house for one month. Then I was sleeping on the bus. It was so cold.

"That's when I found Crisis. I was broken financially, physically and emotionally.

"When I arrived the centre, I was scared but I loved it. There was karaoke, t-shirt painting, arts and crafts. That kind of thing helped my mind. The Shirley who loved to be creative came back a little. They gave me new clothes. I sang all night with the other ladies at karaoke.

"They saw light in me while I was still in darkness. The lady from Crisis even drove me to church on Sunday night because I wanted to go to the Christmas service. She waited for me in the car while I went inside. They really cared for me."

After Christmas, Shirley started going to Crisis' year-round Skylight centre to get advice and support with finding somewhere to live and learning new skills.

"I did all the classes I could; art, painting, blogging. Everything. I also did the song writing class and even started to record my first songs.

"Crisis advised me to go to the council to explain my situation. I had letters from my doctor showing how emotionally destroyed I was. The council then sent me to a hostel, and there I started to breathe, and dedicate myself to music, drawing and singing to restore myself. To put the pieces back together. I started playing guitar. I started to build my confidence and inner strength."

The combination of a shortage of council homes and expensive rents means that people often have no options for anywhere to live. Finally, after several months, Shirley had a letter from the council, saying that she now had the right to bid on a council property.

"Now I'm in a new flat and paying the rent. It is such a blessing.

Shirley continued to get support with employment and skills at Crisis.

"My coach at Crisis supported me with a business plan, and I applied for a Changing Lives Grant to open an online shop selling my t-shirts, hats and bags. I gave a 45-minute presentation, and they approved the total amount. My coach said this was very uncommon. They said they were astonished with me. Crisis helped me to make copies of my CD, 'Light in the Darkness' as well. I also have someone helping to create my shop website. It's an incredible new start.

"I went back to Crisis' Christmas centres, volunteering as a Crisis Ambassador and Performer Volunteer, including one day at the Women's centre where I first came myself. I also sang in the Crisis Choir at Southwark Cathedral. The manager of the women's shelter saw me give a speech there about my experience and said she was crying.

"I was so lost when I first came to Crisis. Now people can't believe how different I am."



# CHIEF EXECUTIVE'S AND CHAIR OF TRUSTEES' STATEMENT

**Everyone should have a safe, stable home. At Crisis, this belief drives everything we do.**

Yet right now, our society is not protecting this right for thousands of individuals and families who are trapped in the worst forms of homelessness. Many are sleeping rough in dangerous places, or living in temporary accommodation like hostels, night shelters and refuges or are sleeping on people's sofas and kitchen floors. These are not places to build a life from.

But we know that this situation isn't inevitable.

Our dedicated Crisis Skylight teams have worked with more than 11,000 people this year, providing the essential services they need to end their homelessness for good. As always, they have achieved tremendous life-changing results, but they are reporting increasing difficulties in supporting people forced to society's margins.

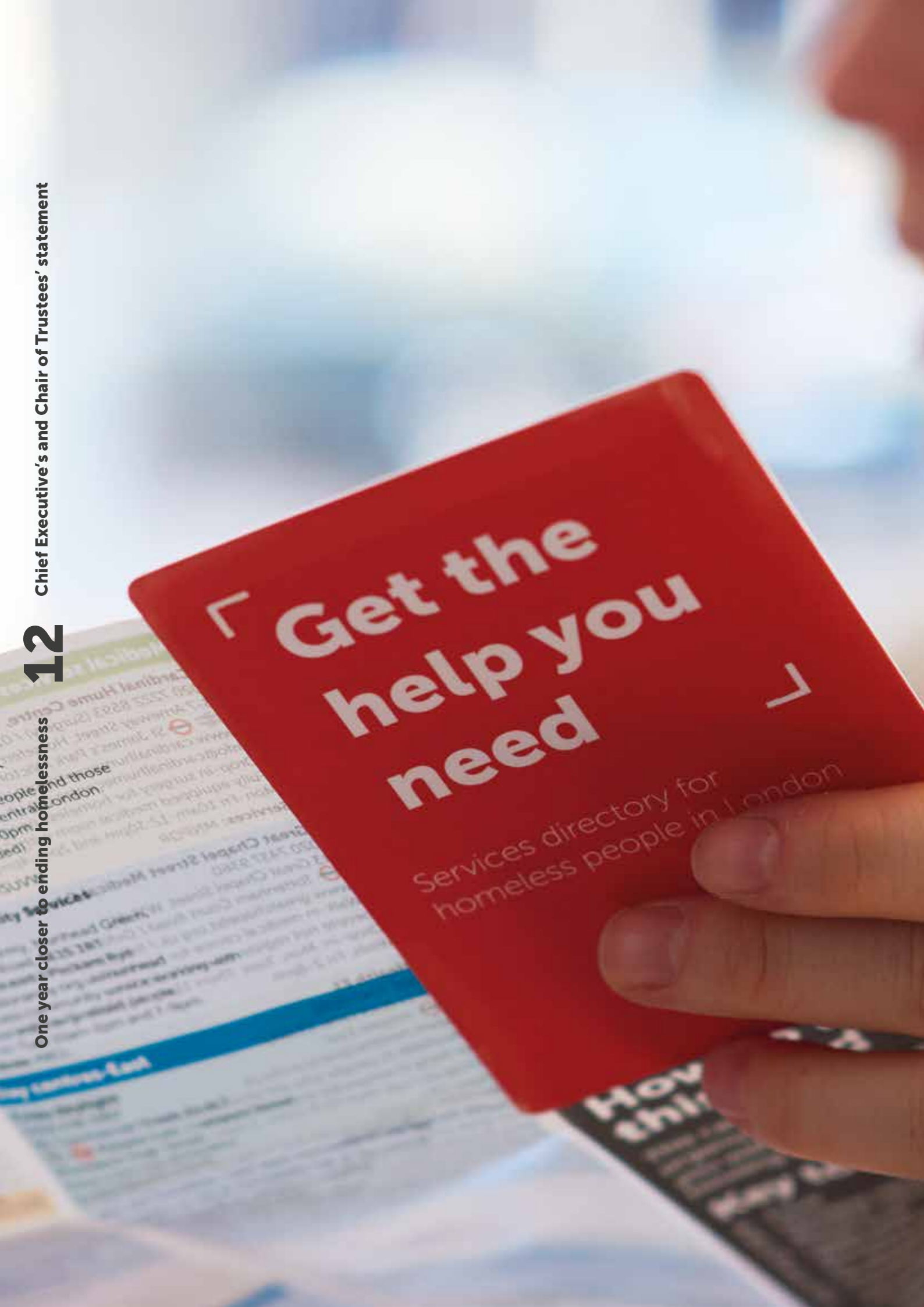
Sam\* is just one example from a Crisis Skylight. He has lived here for several years and has severe physical health problems; Sam is a migrant. He has not been able to provide the proof needed to claim settled status and has no access to financial support from the state – essentially, he is destitute. He also faces arrest and imprisonment if he returns to his country of origin.



Our services worked hard to find him safe accommodation and the care he needed, but unfortunately Sam continues to face the prospect of living on the streets. Sadly, cases like this are all too common, and so next year we are launching a new campaign to tackle migrant homelessness. This is just one example of how our services to help individuals out of homelessness inform our campaigning work and are critical in addressing homelessness' root causes at a systemic level.

Our Crisis Skylight teams are also meeting more homeless people with complex needs. These can be mental health issues, relationship breakdowns, experience of violence and dependency issues, and without the right support these issues can lead to homelessness.

\*Not his real name



Such complexities and need for specialist support must be reflected in the way we fulfil our strategic goals. So, we have decided our services must become even more personalised and intensive to improve our impact on people's lives. We are introducing a lead worker for each person who comes to us. The lead worker will offer focussed and tailored support through the range of services we offer. And our new case management system will help us gather better evidence about what is working. This builds on our existing member-focused multidisciplinary approach.

**Everybody In – setting the agenda**

The current political climate in Westminster has made progress on homelessness harder this year. With politicians and parliament focused on Brexit, we have not yet seen the breakthroughs needed to truly prevent and tackle homelessness. Nevertheless, we have made great progress outside Westminster. We have used our plan *Everybody In: How to end homelessness in Great Britain*, published last year, as a platform for seeking systemic change.

We were delighted when the Scottish Government published their own plan for ending homelessness, which contains reforms that directly align with *Everybody In*. And we ended our year with the Welsh Government also asking us to play a role in their Homelessness Action Group and be involved in forming a new strategy to end homelessness.

Furthermore, Newcastle City Council has chosen us as their partner to work with them to end homelessness in the city over the next ten years. They are the first local authority to adopt the aspiration and principles of *Everybody In*. Their exciting and unique endeavour is fulfilling our goal of having early adopters of the plan in local areas.

Our supporters' generosity throughout the year has been timely, extraordinary and powerful in what it will help us achieve. Their long-term commitment and our new relationship with the People's Postcode Lottery mean we will work on some projects in our strategy more quickly than we anticipated.

One of these includes our Housing First project in London to be launched in early 2020; rough sleeping in the capital has risen by nearly 20 per cent since last year. Housing First is critical in giving people the support they need while they have a roof over their head and ending their homelessness for good.

Last year's launch of our 2018-2023 strategy marked the beginning of our journey to ensure that in the future Crisis will no longer be needed. This report details our progress along this journey and the challenges faced over the past 12 months. We hope you will find it an honest and transparent account of our activities and be inspired to support our aim of resolving homelessness.

Together we will end homelessness.

Steve Holliday  
**Chair of Trustees**

Jon Sparkes  
**Chief Executive**

**Prevented  
538 people  
from becoming  
homeless.**



**“The Crisis team came together – they said they’d get me through and they did. Since we’ve started working together, there’s been a great improvement.**

**“My coach Idris is my expert. He encouraged me a lot and knew how to get me through. My number one in the world! They always say that one good Samaritan will pass! So he’s my good Samaritan. He put me on the right track.”**

**Jesse,  
Crisis Skylight Brent member**





# OUR 2018-23 STRATEGY

After a wide-ranging consultation process and planning workshops, involving Experts by Experience, staff, volunteers and partners, five clear goals emerged. The strategic goals focus on ending homelessness, and are designed to work together. They have the greatest possible impact on ending homelessness when combined. This interdependence demands both a much more multidisciplinary approach (working across the various goals to achieve each one), and increased rigour in making sure everything we do is backed by the evidence.



# OUR STRATEGY

## GOAL 1

**Ensure that the policy changes needed to end homelessness are adopted**

**We will identify the changes in policy needed to end homelessness and work with decision-makers to achieve them.**



### What we said we would do during 2018-2019

Produce a five-year plan to influence government policy on ending homelessness in England, Scotland and Wales. We said we would base it on *Everybody In: How to end Homelessness in Great Britain*, our innovative and comprehensive solution-based approach to the issue that we launched last year.

#### Campaign to:

- end the use of unsuitable temporary accommodation for more than seven days in Scotland
- ensure everyone fleeing domestic abuse who is homeless in England is legally entitled to settled housing
- increase housing benefit so that it meets the true costs of renting across Great Britain, and effectively prevents homelessness
- scrap the Vagrancy Act which criminalises people for sleeping rough and begging in England and Wales.



### What we did

Agreed our priorities for the next five years in ending homelessness and the accompanying strategies needed to meet them. To do this we consulted our members and our employees. Our priorities are: Homelessness prevention; the welfare system; rapid rehousing and migrant homelessness.

Conducted detailed research and consultancy work on the implementation of the Homelessness Reduction Act 2017 and gave evidence to the Communities and Local Government Select Committee. We have worked intensively with five Local Authorities to help implement the Act in the spirit in which we intended it to be enacted when we successfully campaigned for its introduction. The Act is one of the biggest changes to the rights of homeless people in England for many years.

**Launched three new campaigns:**

- **Cover the Cost** – to restore Local Housing Allowance rates to cover the cost of rents across Great Britain and prevent thousands of people from becoming homeless.
- **Scrap the Act** – to abolish the Vagrancy Act, which criminalises people just for sleeping rough and begging in England and Wales.
- **A Safe Home** – to ensure everyone fleeing domestic abuse in England is guaranteed a safe home from their council.

For each campaign we produced evidence reports, campaigning frameworks and plans for public and political engagement and influencing.

Established our Best Practice Team. Their work is informed by our members to help improve the way homeless people and those at risk of homelessness are treated by front-line services.

Worked in partnership with more than 80 Housing Associations as part of the Homes for Cathy group to establish a set of nine commitments which we believe all Housing Associations should aspire to if they are to help us end homelessness.

As a small example of the Best Practice team's range and reach, we have helped Highland Council in Scotland to make better use of the private rented sector as a route out of homelessness, we have provided tenancy training in Conwy in Wales and have developed a proposal for a Housing First project in Torbay, England. We will continue to share the learning from Crisis' services and our research to support others who share our vision, and in return constantly challenge ourselves to do better inspired by the work of others.

**Chris Hancock,**  
Head of Best Practice, Crisis



**What challenged us**

The political instability – particularly at Westminster – was very challenging with Brexit clearly dominating politicians' agendas. The Westminster Government has significantly slowed down in passing legislation with parliament less focused on the scrutiny of government policies.

We have tried to overcome this by giving homelessness a high media and public profile to press the government to urgently address the issue as a top priority. We have also focussed our efforts on the devolved nations and made good progress.



**What we'll do next year**

Launch a new campaign to tackle migrant homelessness.

Work with the Scottish Government to implement their action plan to end homelessness.

Ensure our members, supporters and front-line staff have the greatest possible involvement in political influencing at all levels.



Right now, we're leaving people with little choice but to return to the very place and person they were trying to escape or face the dangers of homelessness, because they have nowhere else to go. The Domestic Abuse Bill is the government's chance to make this right by ensuring that everyone fleeing domestic abuse is automatically entitled to a safe, settled home.

**Jess Phillips MP,**  
Chair of All-Party Parliamentary Group on Domestic Violence and Abuse

Local Housing Allowance has been fixed since April 2016, and over that period, private rental rates in all cities of the West Midlands have increased. And that pattern is repeated throughout the country. We're asking the government to restore Local Housing Allowance at the 30<sup>th</sup> percentile of the private rented sector across average and basic need. We've got to win the argument, which is both a moral and economic one, that this is the right thing to do.

**Andy Street,**  
Mayor of the West Midlands



**We celebrated with our 1,123 members who achieved 2,383 qualifications between them.**



**“Arresting people for being homeless only makes them stay homeless. At the end of the day if someone’s begging on the street, that person needs help, not being arrested for it.”**

**Karl,  
Crisis Skylight Merseyside member, supporting our  
‘Scrap The Act’ campaign.**



# OUR STRATEGY

## GOAL 2

**Ensure that governments in England, Scotland and Wales adopt national plans for ending homelessness**

**We will work with the governments of each nation to make sure the plan to end homelessness is adopted in long-term plans at a national level.**



### What we did

Worked with the Scottish Government to publish its plan for ending homelessness. Scotland's *Ending Homelessness Together* plan, published in November 2018, just five months after *Everybody In*, involves an ambitious agenda of reform. It aims to remove the remaining legal barriers that homeless people face, including local connection and intentionality, and advocates a rapid rehousing approach placing people in mainstream housing. It also, critically, includes measures to prevent homelessness in the first place.

Chaired the Scottish Government's Homelessness and Rough Sleeping Action Group (HARSAG). This brought together experts from local government, the charity sector, academia, housing providers, legal specialists and others. HARSAG's recommendations were pivotal in the creation of Scotland's plan.

Started talks with the Welsh Government to discuss and offer our support for the adoption of a similar approach in Wales.

Continued to advocate for a comprehensive strategy to end homelessness in Westminster.



### What we said we would do during 2018-2019

*Use Everybody In: How to end homelessness in Great Britain* to make a case for governments in Westminster, Scotland and Wales to develop national strategies to end homelessness.

Our plan to end homelessness was published in June 2018 and is an innovative and highly detailed solution-based approach to the issue. Drawing upon the research of national and international experts it documents well-evidenced solutions with the power to end homelessness for good.

Supported **473 people** into external education.



### What challenged us

Although the Westminster government worked with us and published a plan for tackling rough sleeping, they have not developed a strategy for ending homelessness. Any such strategy must include measures to significantly increase social housing and other large policy reforms such as increasing Housing Benefit to match the true cost of renting.



### What we'll do next year

Work with the Scottish Government to ensure the great intentions of their action plan are delivered and have a positive impact on real people.

Support Welsh Ministers in producing a plan for ending homelessness. Our Chief Executive Jon Sparkes has also been asked to chair an action group on ending homelessness in Wales; this group will advise Ministers on the issue.

Respond to political uncertainty in Westminster by preparing for a potential general election over the coming year. We will be ready to campaign for a strategy to end homelessness – once again working in partnership with other homelessness charities to make a powerful case to politicians.

**“Everyone needs a safe, warm place to call home. It’s more than a place to live. It’s where we feel secure, have roots and a sense of belonging. The causes of homelessness can be complex and that’s why all services need to be joined up. Working together we can end homelessness for good.”**

**Aileen Campbell MSP, Communities Secretary, on the publication of the *Ending Homelessness Together* action plan in Scotland**

**“We are committed to ending homelessness in Wales. I want to be clear that our strategy is first and foremost prevention. But, if homelessness cannot be prevented we must ensure that it is brief, rare and non-recurrent.”**

**Julie James AM,  
Housing and Local Government Minister on the launch of the Homelessness Action Group in Wales**



# OUR STRATEGY

## GOAL 3

**Demonstrate that homelessness can be ended in local areas**

**We will inspire and support local authorities to adopt our plan to end homelessness.**

**Our Crisis Skylight teams will explore with local authorities how their housing and homelessness services can be redesigned to help end homelessness for good.**



### **What we said we would do during 2018-2019**

Partner with one local authority to begin the work of ending homelessness in that area over ten years.

Support Crisis Skylights to influence the homelessness strategies of their local authorities.

Restructure our Housing Team as a Best Practice Team advising local authorities and voluntary and community organisations on policy and delivery regarding welfare, rapid rehousing, prevention and migrant homelessness.

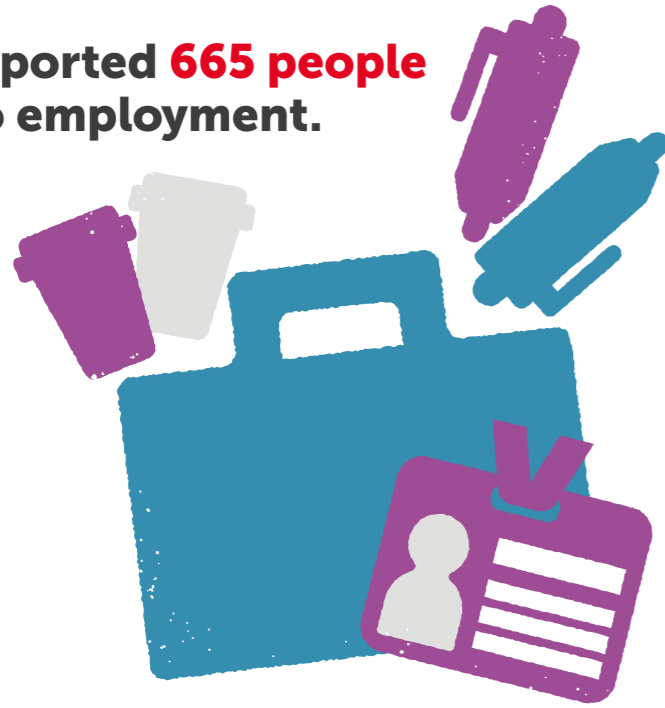
Give our support and expertise to local authorities to create the culture change required in implementing the Homelessness Reduction Act 2017.

Research the implementation of the Homelessness Reduction Act 2017 in six local authority areas, and provide intensive support in five local authority areas.





Supported **665 people** into employment.



### What we did

Formed a ground-breaking partnership with Newcastle City Council to work with us to be an early adopter of the plan to end homelessness and commit to ending it in Newcastle within ten years.

Gave our support to five local authorities in implementing the Homelessness Reduction Act 2017. This involved developing tools and training and holding events and conferences to promote understanding of the Act and our expertise in supporting its implementation. We want local authorities to develop practices and policies that reflect the spirit of the Act, not just the letter of the law. This means more personalised and solution-focussed approaches for people at risk of homelessness.

Established and chaired homelessness forums in Brent and Coventry to help local authorities improve their housing services for homeless people from first contact to ending homelessness for good. The forums helped local authorities and voluntary organisations share good practice and shape their future services. They also informed our campaigns by showing how private renting costs are real barriers for homeless people in many parts of the country, not just in London and the south east.

Worked with Croydon Zero 2020 and Newcastle Streets Zero. These are community-led partnerships involving faith groups, individuals and local businesses dedicated to helping people end their rough sleeping. We attended their meetings and shared our expertise and in-depth information about what people who sleep rough tell us they need to get off the streets.

Seconded our Crisis Skylight Merseyside director to Liverpool City Region Combined Authority to lead the implementation of the authority's Housing First project. The project will run over three years and is expected to provide Housing First accommodation and support for hundreds of people in the area.



Nobody should find themselves without a home and it is our responsibility to do everything we can to end this issue. This partnership is an opportunity for us, working with Crisis, to end homelessness in all its forms. Whether it's a person sleeping rough on the streets, or someone sofa surfing or moving around to one B&B to another, everyone deserves a place to call 'home'.

**Cllr Nick Forbes, leader of Newcastle City Council**



### What we'll do next

Jointly with Newcastle City Council carry out a full review of homelessness in Newcastle and produce a 10-year plan for ending homelessness in the city.

Identify a second region to join Newcastle in becoming an adopter area of the plan to end homelessness.

Complete our feasibility study into introducing city-wide Housing First solutions for London.





# ESI'S STORY

Crisis café trainee



We trained **131 individuals** in catering, hospitality and sales through our retail and café training programmes.

"My Crisis progression coach Sophie knew about my cookery skills and she suggested that I go for Crisis café training programme. At first I wondered if it would be for me, but I thought 'Let's give it a go.' Doing the café programme is one of the best decisions I've ever made. Everyone here has been wonderful. I knew how to cook before, but I've learnt how to be flexible and think outside the box.

"I recently led on a project in the café called African Friday, for Black History Month, where we made an African dish every Friday. I've also catered for a Crisis staff conference.

"I'm now working as a self-employed caterer, taking on things like cake orders and small events like birthdays and weddings. I'm also going to start selling my Ghanaian chilli sauce in the Crisis cafe. I want to start a pop-up restaurant or a food van as my next step. I'm applying for a Crisis Changing Lives grant to do this. I'm also living in a Housing Association flat now, I've been there for two years."



# OUR STRATEGY GOAL 4

## End the homelessness of more people through our direct services

**We must continuously increase our effectiveness and spend our supporters' money wisely to help each person who comes through our doors end their homelessness for good.**



### What we said we would do during 2018-2019

Introduce a case management approach across all Crisis Skylights involving a lead worker for each member to work with them personally to end their homelessness.

Develop a new Crisis-wide case management IT system to support the improved ways we record and report our members' progress through our new case management approach.

Work with our Research and Evaluation colleagues to develop new measures of success and evidence how many people we help end their homelessness every year. Roll this out across all Crisis Skylights enabling us to measure how our services are ending homelessness.

Improve our employment services by increasing our job brokerage role between employers and our members and improve the way we support our members once they are in work.

Review our homelessness prevention services.





### What we did

Launched our new case management system to deliver our new approach. We now have a benchmark to measure how we are ending homelessness. Case management champions in all Crisis Skylights helped design and test the new system and all relevant employees were trained in its use.

Started research to evaluate our employment service and to find the best ways of providing in-work support to our members.

Reviewed the services offered to members by our Crisis Skylight London.

Set up a Single Homelessness Prevention Service in Brent and fostered links with a hospital in Birmingham to reduce the risk of patients being discharged into homelessness.

Provided a Renting Ready programme to help Housing Association tenants at risk of homelessness because of poverty and lack of confidence in living independently.

Ran a pilot homelessness prevention project for people using food banks in Oxford. Crisis team members attended the banks regularly offering support and advice to people at risk of homelessness.

**We welcomed 11,259 people to our year-round services.**



### What challenged us

We could not meet our November deadline for the launch of our new case management system. This is because we needed to redesign some aspects to make the system work as needed. However, all Crisis Skylight services were set up and operating the new system between April and June.

Crisis teams were under considerable pressure while rolling out the new case management approach and system. They had to do their existing jobs and try to respond to new opportunities as usual.



### What we'll do next year

Continue to make sure our new lead worker and case management approaches are working well in all Crisis Skylights. By Summer 2020, we'll review and analyse how this approach is contributing to ending homelessness.

Remodel our Crisis Skylight London following the recommendations of our review. We want to ensure it is well equipped to respond to homeless people with complex needs and is focussed on preventing and ending the homelessness of everyone we work with.

Develop a rapid rehousing team for London. One of their roles will be to source Housing First accommodation for vulnerable people in greatest need.

Review and improve how we support our members once employed. We want to help them stay in work and earn the money they need to support themselves for the long term.



**Found 992 people a secure, stable home.**

# OUR STRATEGY GOAL 5

**End homelessness for more people who are excluded from help or who have complex needs**

**We must make sure we deliver inclusive services ourselves and form partnerships with other organisations to effectively and empathetically help people end their homelessness.**



## What we said we would do during 2018-2019

Improve our services for LGBTQ people who are homeless, or at risk of becoming so, and welcome more LGBTQ members to our Crisis Skylights.

Invest and develop resources to procure stable accommodation for more of our members.

Ensure our Crisis Skylights use Psychologically Informed Environment (PIE) approaches. This means ensuring our Crisis Skylights are safe, welcoming, environments, providing informed help, understanding and expert psychological support for the complex needs many homeless people experience.

Review the creative arts programmes and courses we offer our members in Crisis Skylights to understand their contribution to ending homelessness.



**“** I’ve found Crisis really inclusive for LGBTQ+ people. I’m a Crisis Rainbow Ambassador, which involves training staff and organisations like councils and housing associations about how to work with LGBTQ+ people who become homeless. We talk about the different issues people face. Being a Rainbow Ambassador has been a really amazing way to boost my own self esteem.

**Owen,**  
Crisis Skylight Croydon member **”**



**“I feel so privileged to be a member of the Board, knowing first-hand the impact that Crisis has had in my own life, and in the lives of so many others. I think having someone with lived experience on the Board sends out an important message about how dedicated everyone within Crisis is to ending homelessness.”**

**Viki,  
Crisis trustee**



**Helped 726 people improve their relationships and social networks.**



**What we did**

Explored partnership opportunities with the Albert Kennedy Trust (AKT) – the world’s first organisation for LGBT homeless young people. AKT, which has offices in London, Manchester and Bristol, is helping us with our research to improve our services.

Achieved funding, with three other organisations, to set up services for women survivors of modern-day slavery to help them recover from trauma and find safe accommodation. Our partners are:

- Hestia that works in London and the south east to support people during and after crisis to rebuild their lives
- BAWSO that works with vulnerable women in Wales
- Women’s Aid Northern Ireland
- Shared Lives Plus

Led a partnership of eight London-based migrant and homelessness organisations to support people to apply for European Union Settled Status. Such status is vital in alleviating their suffering and putting roofs over their heads.

Provided a service for migrant homeless people in Croydon, with the local authority; the council provides shared accommodation while we provide intensive support to help them get paid work. Once people are working, they can claim Housing Benefit and rent accommodation.

Secured funding from the National Lottery Community Fund to support the recruitment of clinical psychologists at our Crisis Skylights in South Wales and Edinburgh. Their recruitment is important in developing Psychologically Informed Environment (PIE).

Trained Crisis Skylight team members in using the PIE approach and ensured all managers were trained in ‘reflective practice’. This approach helps staff understand, learn and develop their skills, and cope with the trauma they sometimes experience working directly with people in significant distress.

Supported the Doncaster Complex Lives Alliance which involves a wide range of partners including the NHS and Doncaster Council. It works with people with complex issues including homelessness, rough sleeping, addiction and offending behaviour. We assigned two Crisis coaches to the Alliance and shared our best practice examples of working with people with very complex needs and chaotic lifestyles.

Started work to develop a Housing First project for long-term rough sleepers who are guests at our Christmas centres, but often can’t manage in traditional hostels and shared housing.

Drew up a plan to review our creative arts programmes through focus groups and interviews with members and staff at our Crisis Skylights in Croydon, Newcastle, Coventry, South Wales, and Oxford.



“We’re delighted players of People’s Postcode Lottery have been supporting Crisis since November 2018. So far, they’ve raised an incredible £3.8 million to help the charity work towards its goal of ending homelessness. Players can be proud of the impact this will have on the lives of people accessing Crisis’ services across the country.”

**Hazel Johnstone,  
Senior Programmes Manager,  
People’s Postcode Lottery**



### What we'll do next year

Focus on developing the Psychologically Informed Environment approaches throughout our Crisis Skylights including recruiting clinical psychologist support.

Launch our Housing First project in London. This will give up to 20 Christmas guests a home in 2019-2020.

Evaluate our projects for migrant homeless people and use our successes to try to develop similar projects elsewhere.



### What challenged us

We could not recruit the clinical psychologists we needed for South Wales because we could not find professionals with the right skills sets.

Helping migrant homeless people end their homelessness is often very difficult because government policies have limited the options available to them.

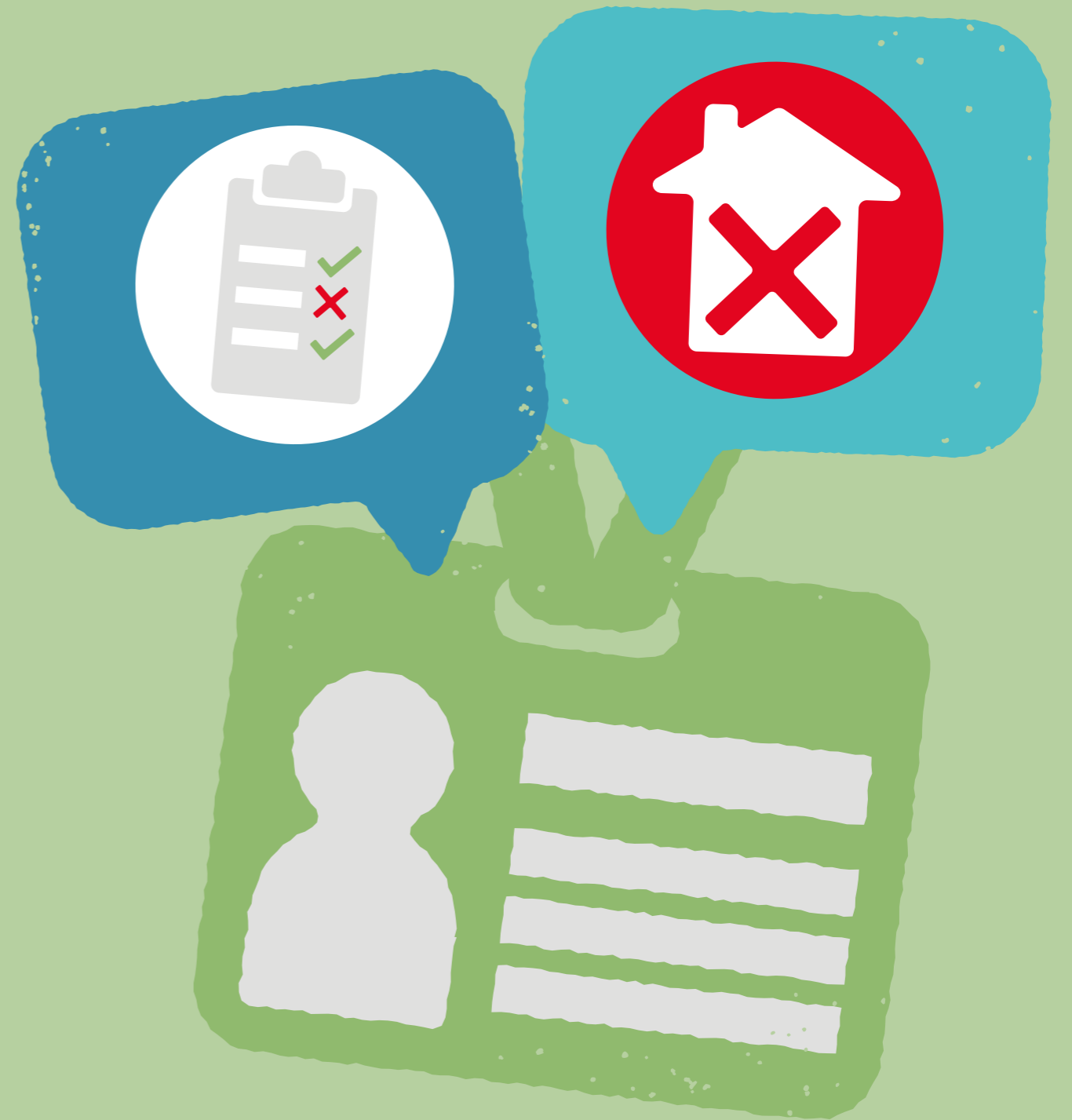
### Helped 2,070 people improve their wellbeing





**“I felt powerless being surrounded by so much suffering, living in a hostel for two years. I can now use this experience to drive my passion for ending homelessness. Coming to work at Crisis has empowered me, and reframed my perception of homelessness to being something that can be solved.”**

**Chrissy,  
Impact Analyst, Crisis**



**22 per cent of  
staff have lived  
experience of  
homelessness.**



50 Our amazing supporters helping to end homelessness

One year closer to ending homelessness

**OUR AMAZING**

**SUPPORTERS**

**HELPING TO END**

**HOMELESSNESS**

51 One year closer to ending homelessness

Our amazing supporters helping to end homelessness

# 2,139 people volunteered with us across the year.



**We have thousands of passionate supporters who volunteer, campaign, fundraise and donate to make Crisis' work possible and help us get closer to our goal of ending homelessness. Here are just a few people who have inspired us this year.**

## Volunteers

Volunteers are invaluable to our Christmas and year-round work to end homelessness.

This year we have broadened our volunteer offer across Britain, with a particular focus on creating more opportunities for Crisis members. We are proud to have dedicated, passionate volunteers who support our work in shops, Skylights, events and much more.



Volunteers are so essential to the running of our shops and without them we wouldn't be able to do the work we do on a daily basis. The shops wouldn't be thriving as they are without them; we are so grateful for all of the hard work and commitment they have to helping us end homelessness.

**Michael, Kim and Adam, Crisis Shop, Archway**



Within our current climate, where there's so much negativity, it's so rewarding to spend a day doing something positive. I really came to understand the problems that so many people face: It was a real eye-opener.

**ASDA Corporate Volunteer**



Volunteers are inspirational – the energy, enthusiasm and compassion they approach their roles with is an important part of our members' journeys. Our volunteers help members feel valued, like they can achieve things and build confidence and self-esteem.

**Emma, Volunteer Coordinator,  
Crisis Skylight South Yorkshire**



Our volunteers are a valuable and integral part of the staff team. They enable us to achieve so much more frontline work; helping with the essential tasks we need to underpin our important work. We would be lost without them!

**Kellie, Arts Coordinator,  
Crisis Skylight South Yorkshire**



## Mia

Mia, aged 8, is passionate about ending homelessness. She can see the problem worsening and feels it's impossible to ignore.

We invited Mia to visit one of our centres to see our work in action, and she has ambitious plans to fundraise for Crisis, including a Harry Potter movie marathon.

When she met Daniel, a 39 year old man who used to be homeless, she was inspired to write a poem about him, to help raise awareness of homelessness.

### Mia's poem

It's dark and it's cold as I pick up my bag  
Out on the streets I'm feeling lonely and sad  
Families on their way home but there's no home for me  
I don't know when the next time I'm in a bed will be.

Last night was a box  
A church hall the night before  
I can't remember the sight of my own front door  
Thinking of my family feeling ashamed and low  
I regret being in prison but I had nowhere else to go

Struggling through life day by day  
Being homeless is sad in so many ways  
Clasping my only possession, a locket,  
I stuff it back into my dirty pocket  
It's a picture of my child  
It means the world to me  
Come on, one day maybe that face I'll see

Then a stranger hands me a packet of crisps,  
a leaflet and a fiver  
And I realise in that moment, I'm a survivor  
The flyer tells me about a place that brings new hope  
And through the desperation, I believe I will cope

Nervous and excited, I walk that way  
Could this be my lucky day?  
I knock on the door and a high pitched voice replies  
"Welcome to Crisis, do come inside."



**12,293 volunteered at our Christmas centres, providing 4,676 guests with warmth, comfort and hope for the future.**



**Leon**

Formerly a Crisis volunteer tutor, Leon’s random act of kindness involving giving out free meals from his namesake restaurant chain to homeless people, inspired a new fundraising product. Thanks to his suggestion, every Better Brownie Mocha sold in Leon branches across the country resulted in a 25p donation to Crisis.

**Emma**

Emma was a teacher, an intrepid explorer and passionate about supporting Crisis. As well as volunteering at Christmas, she raised thousands of pounds by taking on extraordinary challenges. Tragically, Emma died in 2017 but her legacy lives on through an award named in her honour, which will be presented to the Scouts next year.

**Maggie**

Maggie has been involved with Crisis for over 10 years – volunteering, campaigning, and fundraising, including donating her Winter Fuel Allowance and then encouraging her friends to do the same. She is also leaving a small gift in her Will to Crisis. Maggie is deeply passionate about the issue of homelessness and very aware of the societal and policy changes it will take to end it.

**Shamir**

Shamir is passionate about ending homelessness and believes that a safe home is the foundation on which lives can flourish. He is now working with Crisis to secure stable homes for members through a ‘Housing Fund’, where members can get help to pay the first month’s rent in advance or a deposit to secure a home. This year, Shamir will support more than 50 people out of homelessness and into a stable home.

# THANK YOU!

We know that it is only by working together that we will end homelessness. We're grateful for the generous support from thousands of people and organisations who have helped us this year. Here are just a few who have made our work possible.



29<sup>th</sup> May 1961  
Charitable Trust  
Aimar Foundation  
Anthony Fitch  
ASDA Foundation  
A Ridout  
Artemis  
Audiolink  
Austen Howes  
Baker & McKenzie  
The Berkeley  
Foundation  
Bird Charitable Trust  
Blain | Southern  
Buxton School  
Carole Rose  
Catherine Phillips  
Chiltern Cold Storage  
Cisco  
The City Academy  
Hackney  
City of London  
Academy  
City Sprint  
Criterion Capital  
Croydon Borough  
Council  
Daniel Middleton  
Duncan Hawthorne  
Elizabeth Tilsen  
Fenwick Ltd  
First Mile  
giffgaff  
Google UK Ltd  
Grundon  
GSK  
Haverstock School  
H Bahadurji

Health Foundation  
H&H Self Drive Van  
Hire  
Hilary Guest  
Home Office  
Hush  
Islamic Relief  
Jacqueline Latham  
Jeanne Lane  
Jim and  
Ivanka Lennon  
Joe and Minnie  
MacHale  
Jones Lang Lasalle  
Ltd  
John Young  
Joseph Rowntree  
Foundation  
Joyce Toms  
JTI  
Kendall Cars  
Kenny Ives &  
Glencore UK Ltd  
The Kestrelman Trust  
King's College School  
Kitty Haxby  
Lilian Robbins  
Linbury Trust  
Martin Shepherd  
Solicitors LLP  
Microsoft UK  
M Lister  
Musicians Against  
Homelessness  
National Lottery  
Community Fund  
Noble Brite Ltd  
Oak Foundation

The Pauline And  
Harold Berman  
Charitable Trust  
Paul Smee  
People's Postcode  
Lottery  
Peter Winslow CBE  
and Janet Winslow  
RB Capital  
Rob and Vanessa  
Perrins  
Robert Verrion  
Rita Burt  
Savoy Educational  
Trust  
Schutz Engel Trust  
Scottish Government  
Shamir Dawood  
Slaughter & May  
South Yorkshire  
Housing Association  
SSP Foundation  
Taylor Wimpey UK  
Ltd  
Thomas Stevens  
Tom Stubbs  
Toyota  
University College  
School  
Volkswagen  
Westminster  
Foundation  
Westminster  
Kingsway College  
Westminster School  
William A Cadbury  
Charitable Trust  
Virgin Money

# Structure, governance and management

## Structure

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

## Trustees

Crisis UK's Board of Trustees comprises 12 members who meet at least six times a year to review strategy, business plans and operations. One meeting is at least a full day allowing an in-depth review of Crisis' 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 agrees. Terms of office may be extended up to three more years if appropriate.

Trustees are recruited through national recruitment campaigns, 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. The Board appointed three new trustees in 2019. It used a search firm selected for its experience in attracting a diverse pool of candidates. Recruiting a trustee with lived experience of homelessness was a priority.

All new trustees take part in an induction programme designed to ensure they fully understand their roles and responsibilities, and Crisis' objects, activities and ethos.

The Board is committed to high levels of governance at Crisis and has used the Charity Governance Code framework to assess this. The results, considered by the Finance, Audit and Risk Committee, show we achieve a high level of compliance with the standards set out in the Code. In a small number of areas, there is scope for greater formality and regularity of reviews which will be introduced as appropriate.

## Trustee sub-committees

The Board has established four committees with delegated authority for certain matters and to ensure key matters are given increased time and scrutiny.

The Finance, Audit and Risk Committee, comprising five trustees, has delegated authority for:

- ensuring the charity operates within the financial guidelines set out in current legislation, by the Charity Commission, by the charity's governing documents and by the Board
- reviewing financial information and audit issues, and making recommendations to the Board on related matters
- considering the need for internal audit work and overseeing a programme for implementation if appropriate
- reviewing the information governance framework, data security and compliance with data protection legislation.

The Client Services Governance Committee comprises four trustees and was established to:

- ensure Crisis' services for members are delivered safely and professionally and to provide this assurance to the Board
- act as a forum for scrutiny and review of governance (including incident and safeguarding management) across Crisis Client Services.

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 (SMT) and authorising as appropriate
- scrutinising and authorising changes to the organisation's remuneration structure.

The Nominations Committee comprises two trustees, including the 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
- recruiting and recommending new trustees to the Board.

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

## Related parties and relationships with other organisations

Crisis at Christmas Limited, a wholly-owned subsidiary, manages trading activities associated with the charity. The company gifts any surplus to Crisis.

## Senior Management Team

The trustees delegate the day-to-day operations of the charity to the Senior Management Team (SMT). The SMT comprises the Chief Executive and five other members with clear lines of responsibility for specific areas of the organisation. In addition to those members of the SMT listed above, Micky Walsh also served as director of Services until 1 February 2019.

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.

## Remuneration policy for key management personnel

Crisis' remuneration policy is designed to ensure the organisation continues to be a leading charity within the homelessness sector, providing high quality services for homeless people. This includes ensuring remuneration levels are sufficient both to attract high calibre staff and maintain our human resource across the organisation.

We are committed to the following principles in determining pay for all our employees.

- Be consistent, equitable and open in how employees are rewarded and recognised
- Apply the same approach to pay and reward for all employees, except where there is a clear case for differentiation
- Benchmark pay against the upper quartile of the relevant market
- Take account of internal relativities as well as the external market
- Provide an overall package of rewards and recognition that is good within the charitable sector.

The remuneration of members of the senior management team is determined by the Remuneration Committee which gives due consideration to the above framework.

We are also proud to have been committed to paying the minimum hourly rates recommended by the Living Wage Foundation for many years.

#### Staff and volunteers

Our staff and volunteers are vital to our organisation's ongoing success. They dedicate time, skill and passion to delivering the best possible services for homeless people.

We are extremely fortunate in that we can call on the support of more than 12,000 volunteers each year. Their contributions are invaluable to our work and help shape the unique character of our charity.

#### Policy for employment of disabled people

We welcome applications for employment from all prospective employees regardless of disabilities. Crisis is committed to developing practices not only meeting requirements of equalities legislation, but which promote equality of opportunity and maximise the abilities, skills and experience of all employees. This includes ensuring that employees are managed in an inclusive way, accounting for individual differences, and giving employees the confidence to disclose a disability if they wish.

If an employee discloses their disability, we discuss with them what they need to be successful in their role and seek to make reasonable adjustments to facilitate this. For example, adjustments could include training, specialist technology or equipment. In deciding what is reasonable, the practicalities and resources available to Crisis are considered.

#### Diversity

As part of our commitment to becoming a truly inclusive organisation, Crisis has established staff diversity networks for:

- Black, Asian and Minority Ethnic people
- lesbian, gay, bisexual, transgender, queer/questioning + people
- people with lived experience of homelessness
- women
- disabled people

The networks:

- provide support to staff members and enable them to be their authentic and best selves;
- champion issues across the organisation
- raise awareness of the impact of relevant legislation
- improve the working environment for network members and, accordingly, all Crisis employees.
- and contribute to making Crisis a truly diverse organisation.

#### Employee information

We place great importance on ensuring employees are regularly updated and have appropriate opportunities to engage with senior management. The Chief Executive holds 'have your say' sessions twice a year at all Crisis locations, accompanied by another member of the SMT. All staff are invited to attend and contribute.

The Chief Executive also presents a monthly blog, available to all staff, where he celebrates achievements and discusses important topics including future plans, finances and the external environment. We conduct an annual staff survey; the results and proposed actions are discussed with staff (typically through the 'have your say' sessions mentioned above) and with the Board. The results of the survey are an important indicator of the 'health'

of the charity and are generally extremely positive. For example, the proportion of staff who would recommend Crisis as a good place to work has been consistent at 89% in recent years. Whilst none of the results is a particular cause for concern, less positive results are followed up and action taken to address issues.

Crisis has a union recognition agreement with Unite. Senior management meet with Unite representatives on a regular basis.

#### Public benefit statement

In accordance with the Charities Act 2006, we must confirm that the activities we undertake to achieve our 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 our activities, we seek an end to homelessness by delivering life-changing services and campaigning for change. Crisis' trustees have described in this report the charitable public benefit of our activities; they regularly review our progress against our aims and objectives. They 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.

#### Fundraising

At Crisis, we have set out to ensure we always listen to our supporters and put them at the heart of our work. We've gone so far as to instigate a 'Supporter in the Room' policy, where in every meeting across Crisis we behave as though there is a supporter present. It ensures we treat them with the respect and dignity they deserve.

In 2018/19 we built on this concept, setting out several Supporter in the Room pledges which we have strived to deliver. We have focused on making sure we understand what our supporters want and we have worked hard to not only meet, but exceed their expectations. We will continue to work hard on this in the coming 12 months, inspiring supporters at every opportunity and making sure they feel an intrinsic part of the movement to end homelessness.

As well as placing supporters at the heart of our culture, we have worked closely with our partners and suppliers to ensure they display the same ethos. We dedicate time at the most senior levels of the organisation to ensure they understand who we are and how we treat our supporters. We constantly monitor the performance of our telephone agencies and provide feedback on a regular basis to ensure performance is both maintained and improved. The agency often acknowledges that Crisis goes the extra mile to ensure together we give supporters great experiences.

In the year to June 2019, we communicated with millions of people across the UK and received 118 complaints (2018 – 107 complaints). While this number is low, this still represents people who had a bad experience and we will work to reduce this number going forward.

Following the introduction of new GDPR legislation in 2018, we have continued to monitor and update our privacy policy, constantly reviewed our communications and are finalising a preference centre to allow supporters to choose what they receive from us. However, this is just part of the process. We want to go beyond compliance with regulation. We want to revisit the roots of communicating with our supporters, ensuring that every single communication a Crisis supporter receives is relevant, meaningful and inspirational.



In addition, we are committed to ensuring that no vulnerable person, or indeed anyone, feels subject to unreasonable intrusion of privacy or persistent or undue pressure to donate. We have continued to work hard to comply with the Fundraising Regulator's voluntary regulation scheme ensure our suppliers and agents do the same and will continue to ensure we meet the high standards we expect of ourselves, that the Regulator expects and that our supporters rightly deserve.

**Financial review**

Our principal activities are providing a range of life-changing services to homeless people and campaigning on their behalf.

In last year's report, we stated that we anticipated reporting a small deficit for the financial year ending June 2019. In fact, we have recorded a substantial surplus of £10.0 million for the year, despite an increase in charitable expenditure of 6%. Total expenditure increased by 10% to £43.6 million from £39.7 million and income increased by 31% to £53.5 million from £40.9 million, reflecting exceptional fundraising success. Donations from individuals far exceeded our expectations and we were delighted to start a successful partnership with the People's Postcode Lottery during the year.

The year under review was the first year of an ambitious five-year strategic plan that began in July 2018. The level of the financial surplus achieved in this first year gives us greater confidence that we can generate the income required to finance this plan. The surplus also brings with it the responsibility to ensure that we spend the higher levels of funding now anticipated to increase our charitable impact. Further information is provided in the discussion of plans for future periods below.

The increase in charitable expenditure reflected a general increase in our activities, particularly across the 11 Crisis Skylights where we work directly with homeless people. Following the successful passage of the Homelessness Reduction Act 2017 last year, we increased our expenditure on campaigning and influencing. This is partly to support the implementation of the Act and to seek to implement the recommendations contained in *Everybody In: How to end homelessness in Great Britain*. This is a major piece of collaborative and research-based work, launched by Crisis in 2018, outlining the solutions that can end homelessness.

The Centre for Homelessness Impact, established last year to build an independent evidence base of what works to end homelessness, continues to make good progress. The Centre, which has philanthropic funding, became an independent entity on 1 July 2019.

For the year under review, 61% of our expenditure was incurred on charitable activities.

We also continued to invest in fundraising. This was partly to support our activities in the year under review, but primarily to ensure a sound base to support our ambitions for the next five years. Crisis receives little statutory income, that we must invest significant sums to generate the voluntary income on which we rely.

Our expenditure on raising funds, including from retail activities, increased by £2.4 million over the previous year; income increased by £12.6 million over the same period. The largest category was donations from individuals, but we continue to benefit from the financial support of a broad spread of supporters. These include not only many individuals but also companies, trusts, the People's Postcode Lottery, National Lottery Community Fund and others.

The surplus for the year and planned transfers to and from designated funds means our general reserves have increased to £13.1 million. Restricted funds decreased by £0.2 million and designated funds increased by £7.7 million. There was a release of £1.3 million because no new Crisis Skylights opened during the year and none are currently planned, offset by transfers totalling £8.1 million to new designated reserves.

**Our plans for future periods**

June 2019 marks the end of the first year of our five-year strategic plan which includes five goals, supported by seven cross-cutting themes. While our financial performance in the first year has significantly exceeded expectations, there is no intention to change our goals.

However, we can accelerate some aspects, and our plans for the current financial year provide for this. We will provide additional funding for systems transformation work, especially in the 'early adopter' area(s) but also other areas where we have a Skylight service; we will introduce a housing-led offer for people leaving our Christmas centres; we will introduce clinical psychology capacity in our Skylights, ensuring that we can design services to support the most vulnerable people; we will establish projects using a critical time intervention approach that prevent homelessness and produce compelling evidence of what works in different circumstances – for example, leaving prison, leaving health service establishments and leaving care. In addition, we will increase our investment in the infrastructure and culture vital to achieving our goals, as well as ensuring that we can secure and build our financial position in the future.

**Crisis' reserves policy**

Our reserves policy is designed to reflect the underlying risks facing us and ensure we have an appropriate level of reserves to safeguard our operations and services to homeless people.

We hold restricted funds to meet donors' requirements. Several years ago, we also established designated reserves for planned future requirements, particularly the opening and initial operations of new centres, according to strategic plans.

The new developments reserve was designated by the trustees to be used for the establishment of new Crisis Skylights. It represented the estimated capital and operating costs for the first three years of planned new centres, net of projected income relating specifically to them. Under the strategic plan for the five years to June 2023, we do not anticipate establishing more centres; as expected, the new developments reserve has reduced to nil at June 2019.

The tangible fixed asset reserve represents the net book value of tangible fixed assets in use by the charity (excluding those items which are included within restricted reserves).

As discussed above, the strong financial position in which we now find ourselves will enable us to invest in three key areas. These are:

- accelerating strategy
- investing in infrastructure and culture
- securing and building the financial position.

The Board has decided to set aside funds in designated reserves for the latter two categories to ensure that, over the medium term, we can commit to these essential initiatives. Designated reserves of £8.1 million have been established as follows:

	<b>£ millions</b>
Skylights refurbishment	<b>3.0</b>
Technology and major systems	<b>2.3</b>
Supporter engagement	<b>2.1</b>
Digital income development	<b>0.7</b>
<b>Total</b>	<b>8.1</b>

During the year, funds of £1.3 million were transferred from the designated new developments reserve and funds of £0.1 million were transferred to the tangible fixed asset reserve. Aggregate designated reserves were £12.2 million at 30 June 2019.

The trustees consider the minimum level of free reserves annually – i.e. excluding restricted and designated reserves, required to support our operations. Relevant factors include projected financial performance including cash flow requirements, the findings from our risk management processes and an assessment of risks to our income streams.

Following this review, the trustees have determined that the minimum required level of free reserves is £12.1 million at 30 June 2019. The actual level of free reserves at this date was £13.0 million pounds. As noted above, the financial position is stronger than anticipated and we have developed plans to accelerate the strategy. Our expectation is that, over the period of the strategic plan, our strategic objectives will be achieved to a greater extent than originally planned. Consequently, our reserves will be in line with the required level at June 2023.

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

#### **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. This is subject to ensuring we have sufficient cash to operate throughout the subsequent two years.

Most 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 £65,000 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. The investment at the year-end was held in an ethical charity investment fund.

This policy is reviewed regularly by the trustees.

#### **Risk management**

No system of internal control can give absolute assurance against material misstatement or loss. However, we believe we have appropriate procedures and controls to adequately mitigate against risks to which we are 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 SMT 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, Audit and Risk Committee, including review of growth planning
- in-depth review of the management of safeguarding and other member incidents by the Client Services Governance Committee
- continuing development of a performance measurement framework to ensure we further improve our understanding of our work and its impact
- scaled authority levels and segregation of duties
- identification and management of risks.

Crisis' approach to risk management includes the identification of risks on both 'top down' and 'bottom up' bases. This involves considering internal and external factors affecting our strategic goals and specific risks attributable to detailed operations. Identified risks are rated according to the likelihood and impact of the risk occurring. We overlay on this a review of the risks to delivery of the business plan for the current and subsequent years.

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 SMT team and the Finance, Audit and Risk Committee, the risk register is reviewed annually by the board of trustees, who also receive a mid-year update on key risks.

The most significant risks facing Crisis for the year ahead have been identified as high-profile operational issues which damage Crisis' reputation. This could include a major incident at or around a Crisis at Christmas centre. In addition, the breakdown of a partnership established to deliver our strategic objective to demonstrate that homelessness can be ended in local areas would represent a serious setback to our purpose of ending homelessness.

A key element of our control framework is comprehensive reporting of incidents, accidents and near-misses. This reporting includes any safeguarding or information governance breaches that occur. These are considered by the appropriate governance committees. They also consider the decisions of whether any such occurrences should be reported to a regulatory body. Crisis maintains a strong culture of reporting of incidents etc

across our work. During the year, no incidents occurred which were reported to a regulator.

A risk highlighted last year, our website's online donation functionality failing at a key time during our Christmas fundraising campaign, has been reduced through additional safeguards and contingency plans. However, the continuing uncertainty surrounding Brexit means previously identified risks are increasing. These include the potential impact on individual employees' and members' right to remain and other challenges, together with the potential adverse impact on donors of an economic downturn.

Continuing Brexit uncertainty also means that the UK government continues to have little capacity to take other important political initiatives forward on a timely basis.

Each of these risks is overseen by the board or a board sub-committee.

**Statement of responsibilities of the trustees**

The trustees (who are also directors of Crisis UK for the purposes of company law) are responsible for preparing the trustees' annual report including the strategic 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 company or 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 and statements of recommended practice have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping 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. They are also responsible for safeguarding the assets of the charitable company and 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
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.
- The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation

in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

- Members of Crisis guarantee to contribute an amount not exceeding £1 each to the assets of the charity in the event of winding up. The trustees are members of the charity, but this entitles them only to voting rights. The trustees have no beneficial interest in the charity.

**Auditors**

Sayer Vincent LLP were re-appointed as the charitable company's auditors during the year and have expressed their willingness to continue in that capacity.

The trustees' annual report, which includes the strategic report, has been approved by the trustees on 26<sup>th</sup> September 2019 and signed on their behalf by

Steve Holliday  
Chair of Trustees

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

## Opinion

We have audited the financial statements of Crisis (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 30 June 2019 which comprise the consolidated statement of financial activities, the group and parent charitable company balance sheets, the consolidated statement of cash flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent charitable company's affairs as at 30 June 2019 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulations 6 and 8 of the Charities Accounts (Scotland) Regulation 2006 (as amended)

## Basis for opinion

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

## Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## Other information

The trustees are responsible for the other information. The other information comprises the information included in the trustees' annual report, including the strategic report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## Opinions on other matters prescribed by the Companies Act 2006

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

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

## Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' annual report, including the strategic report.

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

- adequate accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## Responsibilities of trustees

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

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

#### **Auditor's responsibilities for the audit of the financial statements**

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

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material mis-statement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient

and appropriate to provide a basis for our opinion. The risk of not detecting a material mis-statement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the over-ride of internal control;

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees;
- conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's or the parent charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group or the parent charitable company to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation, and

- obtain sufficient, appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### **Use of our report**

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

Joanna Pittman  
(Senior Statutory Auditor)

Date

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

Sayer Vincent LLP is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006

# Consolidated statement of financial activities

(incorporating an income and expenditure account)

For the year ended 30 June 2019

	Note	Unrestricted £000	Restricted £000	2019 Total £000	Unrestricted £000	Restricted £000	2018 Total £000
<b>Income from:</b>							
Donations and legacies	2	36,317	3,390	<b>39,707</b>	29,948	2,257	32,205
Charitable activities	3	454	5,521	<b>5,975</b>	558	5,503	6,061
Other trading activities	4	7,068	332	<b>7,400</b>	2,241	185	2,426
Investments		114	-	<b>114</b>	61	-	61
Other		215	130	<b>345</b>	144	17	161
<b>Total income</b>		<b>44,168</b>	<b>9,373</b>	<b>53,541</b>	<b>32,952</b>	<b>7,962</b>	<b>40,914</b>
<b>Expenditure on:</b>							
Charitable activities							
Christmas		967	1,108	<b>2,075</b>	1,020	1,124	2,144
Campaigning and influencing		2,143	1,092	<b>3,235</b>	2,523	628	3,151
Education, health and wellbeing		10,315	6,354	<b>16,669</b>	10,353	5,117	15,470
Housing		1,243	717	<b>1,960</b>	1,231	632	1,863
Employment		995	158	<b>1,153</b>	937	175	1,112
Volunteering		176	-	<b>176</b>	125	-	125
Social enterprise		1,125	46	<b>1,171</b>	1,059	34	1,093
		<b>16,964</b>	<b>9,475</b>	<b>26,439</b>	<b>17,248</b>	<b>7,710</b>	<b>24,959</b>
Raising funds	5	15,166	70	<b>15,236</b>	13,404	109	13,513
Retail costs		1,892	-	<b>1,892</b>	1,245	-	1,245
<b>Total expenditure</b>		<b>34,022</b>	<b>9,545</b>	<b>43,567</b>	<b>31,897</b>	<b>7,819</b>	<b>39,715</b>
<b>Net income / (expenditure) before net gains on investments</b>		<b>10,159</b>	<b>(172)</b>	<b>9,974</b>	<b>1,055</b>	<b>143</b>	<b>1,199</b>
Net gains on investments	13	65	-	<b>65</b>	38	-	38
<b>Net income / (expenditure) for the year and net movement in funds</b>	7	<b>10,221</b>	<b>(172)</b>	<b>10,039</b>	<b>1,093</b>	<b>143</b>	<b>1,237</b>
<b>Reconciliation of funds:</b>							
Total funds brought forward		14,917	1,716	<b>16,633</b>	13,824	1,573	15,396
<b>Total funds carried forward</b>		<b>25,128</b>	<b>1,544</b>	<b>26,672</b>	<b>14,917</b>	<b>1,716</b>	<b>16,633</b>

All of the above results are derived from continuing activities. There were no other recognised gains or losses other than those stated above. Movements in funds are disclosed in Note 20a to the financial statements.

# Balance sheets

As at June 2019  
Company Reg No. 4024938

	Note	The group 2019 £000	2018 £000	The charity 2019 £000	2018 £000
<b>Fixed assets:</b>					
Tangible assets	12	<b>4,892</b>	4,792	<b>4,892</b>	4,792
Investments	13	<b>857</b>	792	<b>857</b>	792
		<b>5,749</b>	5,584	<b>5,749</b>	5,584
<b>Current assets:</b>					
Stock		<b>4</b>	4	<b>4</b>	4
Debtors	16	<b>2,191</b>	2,100	<b>2,212</b>	2,097
Short term deposits		<b>7,600</b>	-	<b>7,600</b>	-
Cash at bank and in hand		<b>13,802</b>	11,129	<b>13,752</b>	11,122
		<b>23,597</b>	13,233	<b>23,568</b>	13,223
<b>Liabilities:</b>					
Creditors: amounts falling due within one year	17	<b>(2,674)</b>	(2,184)	<b>(2,645)</b>	(2,174)
<b>Net current assets</b>		<b>20,923</b>	11,049	<b>20,923</b>	11,049
<b>Total net assets</b>		<b>26,672</b>	16,633	<b>26,672</b>	16,633
<b>Funds:</b>					
Restricted income funds	20	<b>1,544</b>	1,716	<b>1,531</b>	1,716
Unrestricted income funds:					
Designated funds		<b>12,178</b>	5,256	<b>12,178</b>	5,256
General funds		<b>12,950</b>	9,661	<b>12,963</b>	9,661
Total unrestricted funds		<b>25,128</b>	14,917	<b>25,141</b>	14,917
<b>Total funds</b>		<b>26,672</b>	16,633	<b>26,672</b>	16,633

Approved by the trustees on 26th September 2019 and signed on their behalf by

Steve Holliday  
Chair of Trustees

Damien Régent  
Trustee

# Consolidated statement of cash flows

For the year ended 30 June 2019

	Note	2019		2018	
		£000	£000	£000	£000
<b>Cash flows from operating activities</b>	23				
<b>Net cash provided by operating activities</b>			<b>11,015</b>		2,274
<b>Cash flows from investing activities:</b>					
Dividends, interest and rents from investments		<b>114</b>		61	
Purchase of fixed assets		<b>(856)</b>		(817)	
<b>Net cash used in investing activities</b>			<b>(742)</b>		(756)
<b>Change in the year</b>			<b>10,273</b>		1,518
Cash and cash equivalents at the beginning of the year			<b>11,129</b>		9,611
<b>Cash and cash equivalents at the end of the year</b>			<b>21,402</b>		11,129

# Notes to the financial statements

For the year ended 30 June 2019

## 1. Accounting policies

### a) Statutory information

Crisis UK (Crisis) is a charitable company limited by guarantee and is incorporated in England and Wales. The registered office address (and principal place of business) is 66 Commercial St., London, E1 6LT.

### b) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP FRS 102), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (September 2015) and the Companies Act 2006.

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

These financial statements consolidate the results of the charitable company and its wholly-owned subsidiary Crisis at Christmas Limited on a line by line basis. Transactions and balances between the charitable company and its subsidiary have been eliminated from the consolidated financial statements. Balances between the two companies are disclosed in the notes of the charitable company's balance sheet. A separate statement of financial activities, or income and expenditure account, for the charitable company itself is not presented because the charitable company has taken advantage of the exemptions afforded by section 408 of the Companies Act 2006.

### c) Public benefit entity

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

### d) Going concern

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

Key judgements that the charitable company has made which have a significant effect on the accounts include reviewing and carrying out a risk analysis of the factors affecting the charity's ability to continue to fundraise income.

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

### e) Income

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

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

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the charity that a distribution will be made, or when a distribution is received from the estate. Receipt of a legacy, in whole or in part, is only considered probable when the amount can be measured reliably and the charity has been notified of the executor's intention to make a distribution. Where legacies have been notified to the charity, or the charity is aware of the granting of probate, and the criteria for income recognition have not been met, then the legacy is treated as a contingent asset and disclosed if material.

Lottery income: Crisis received proceeds of lotteries held by People's Postcode Lottery (PPL). Crisis has no ability to alter the price of tickets, determine the prizes or reduce the management fee. As such, PPL is treated as acting as the principal. Net proceeds due to Crisis are recognised under lottery income in the statement of financial activities. The analysis of the proceeds is detailed in note 4. Where lotteries are run by Crisis, the proceeds from these are reported gross of any prize monies or other expenditure.

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

**f) Donations of gifts, services and facilities**

Donated professional services and donated facilities are recognised as income when the charity has control over the item or received the service, any conditions associated with the donation have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), volunteer time is not recognised so refer to the trustees' annual report and note 9 for more information about their contribution.

On receipt, donated gifts, professional services and donated facilities are recognised on the basis of the value of the gift to the charity which is the amount the charity would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

**g) Interest receivable**

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

**h) Fund accounting**

Restricted funds are to be used for specific purposes as laid down by the donor. Expenditure which meets these criteria is charged to the fund. Crisis acts as a custodian of these funds and consequently they are not available for general use.

Unrestricted funds are donations and other incoming resources received or generated for the charitable purposes. These funds can be used at trustees' discretion in furtherance of the charity's objectives.

Designated funds are unrestricted funds earmarked by the trustees for particular purposes. The aim and use for each designated fund is set out in the notes to the financial statements.

**i) Expenditure and irrecoverable VAT**

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

- Costs of raising funds relate to the costs incurred by the charitable company in inducing third parties to make voluntary contributions to it, as well as the cost of any activities with a fundraising purpose.

- Expenditure on charitable activities includes the costs of delivery services for our clients undertaken to further the purposes of the charity and their associated support costs.

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

**j) Grants payable**

Grants payable are made to third parties in furtherance of the charity's objects. Single or multi-year grants are accounted for when either the recipient has a reasonable expectation that they will receive a grant and the trustees have agreed to pay the grant without condition, or the recipient has a reasonable expectation that they will receive a grant and that any condition attaching to the grant is outside of the control of the charity.

Provisions for grants are made when the intention to make a grant has been communicated to the recipient but there is uncertainty about either the timing of the grant or the amount of grant payable.

**k) Allocation of support costs**

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

Where information about the aims, objectives and projects of the charity is provided to potential beneficiaries, the costs associated with this publicity are allocated to charitable expenditure.

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

	<b>Basis of allocation</b>
Management	Time spent and headcount
Finance & Information Governance	Headcount
IT	Headcount
Facilities	Floor space and headcount
HR, Learning & Development	Headcount
Organisational Development	Headcount
New Developments	Headcount

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

**l) Operating leases**

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

**m) Tangible fixed assets**

Items of equipment are capitalised where the purchase price exceeds £5,000. Depreciation costs are allocated to activities on the basis of the use of the related assets in those activities. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

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

- Office equipment, plant and machinery and vehicles 4 years



- Improvements to freehold land and buildings 10 years
- Leasehold improvements In line with the lease term
- Freehold land and buildings 50 years

#### n) Listed investments

Investments are a form of basic financial instrument and are initially recognised at their transaction value and subsequently measured at their fair value as at the balance sheet date using the closing quoted market price. Any change in fair value will be recognised in the statement of financial activities. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading "Net gains/(losses) on investments" in the statement of financial activities. The charity does not acquire put options, derivatives or other complex financial instruments.

#### Investments in subsidiaries

Investments in subsidiaries are at cost.

#### o) Stocks

Stocks are stated at the lower of cost and net realisable value. In general, cost is determined on a first in first out basis and includes transport and handling costs. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Provision is made where necessary for obsolete, slow moving and defective stocks. Donated items of stock, held for distribution or resale, is not recognised as stock as it is not practicable to value it reliably. The income from sale of stock is recognised at the point of sale.

#### p) Debtors

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

#### q) Cash and cash equivalents

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account. Balances with maturity greater than three months are included as short term deposits. Cash balances exclude any funds held on behalf of service users.

#### r) Creditors and provisions

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

#### s) Financial instruments

With the exception of the listed investments described above, the charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

#### t) Pensions

Crisis 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.

## 2. Income from donations and legacies

	Unrestricted £000	Restricted £000	2019 Total £000	Unrestricted £000	Restricted £000	2018 Total £000
Individuals	31,573	3,235	<b>34,808</b>	26,725	2,065	28,790
Legacies	1,847	-	<b>1,847</b>	1,119	14	1,133
Trust	540	-	<b>540</b>	374	-	374
Corporates	1,469	-	<b>1,469</b>	1,045	-	1,045
Community Groups	888	85	<b>973</b>	685	76	761
Donated services and facilities	-	70	<b>70</b>	-	102	102
	<b>36,317</b>	<b>3,390</b>	<b>39,707</b>	<b>29,948</b>	<b>2,257</b>	<b>32,205</b>

The charity has been notified of legacies with an estimated value of £1,020,000 (2018: £693,000) which have not been recognised as income at 30 June 2019 because no confirmation of impending distribution or notification of estate accounts being finalised has been received.

## 3. Income from charitable activities

	Unrestricted £000	Restricted £000	2019 Total £000	Unrestricted £000	Restricted £000	2018 Total £000
Christmas	-	1,104	<b>1,104</b>	-	1,258	1,258
Campaigning and influencing	-	961	<b>961</b>	25	740	765
Education, health and wellbeing	-	2,609	<b>2,609</b>	-	2,649	2,649
Housing	-	639	<b>639</b>	-	666	666
Employment	-	158	<b>158</b>	-	165	165
Volunteering	-	5	<b>5</b>	-	-	-
Social Enterprise	454	45	<b>499</b>	533	15	548
Changing Lives	-	-	<b>-</b>	-	10	10
Total income from charitable activities	<b>454</b>	<b>5,521</b>	<b>5,975</b>	<b>558</b>	<b>5,503</b>	<b>6,061</b>

Income from charitable activities includes gifts in kind and donated services of £845,000 (2018: £949,000)

#### 4. Income from other trading activities

	Unrestricted	Restricted	<b>2019 Total</b>	Unrestricted	Restricted	2018 Total
	£000	£000	<b>£000</b>	£000	£000	£000
Events	637	332	<b>969</b>	615	185	800
Rental	167	-	<b>167</b>	79	-	79
Retail	1,965	-	<b>1,965</b>	1,277	-	1,277
Lottery / Raffle	4,068	-	<b>4,068</b>	237	-	237
Commercial trading operations	231	-	<b>231</b>	33	-	33
						-
	7,068	332	<b>7,400</b>	2,241	185	2,426

Where lotteries are run by Crisis and it acts as the principal, the proceeds are recorded as gross of prizes and other expenditure. In the case of Crisis lotteries managed by People's Postcode Lottery (PPL), Crisis has no ability to alter the ticket price, prizes, nor management charges and therefore does not act as the principal for these draws. Proceeds have therefore been recognised in the Consolidated Statement of Financial Activity as net of prizes and other expenditure. 2018/19 was the first year of this PPL arrangement. All net income raised from ticket proceeds is wholly spent in the pursuit of the aims of the charity.

	Unrestricted	Restricted	<b>2019 Total</b>	Unrestricted	Restricted	2018 Total
	£000	£000	<b>£000</b>	£000	£000	£000
PPL ticket proceeds	11,962	-	<b>11,962</b>	-	-	-
PPL prize fund	(4,776)	-	<b>(4,776)</b>	-	-	-
PPL management fund	(3,349)	-	<b>(3,349)</b>	-	-	-
PPL prize indemnity insurance	(9)	-	<b>(9)</b>	-	-	-
PPL net income	3,828	-	<b>3,828</b>	-	-	-
Other Crisis lotteries	240	-	<b>240</b>	237	-	237
	4,068	-	<b>4,068</b>	237	-	237

#### 5a. Analysis of expenditure

	Grants payable (Note 6)	Staff costs (Note 8)	Other direct costs	Gifts in kind and donated services	Allocation of support and governance costs	<b>2019 Total</b>	2018 Total
	£000	£000	£000	£000		<b>£000</b>	£000
Christmas	-	580	760	633	102	<b>2,075</b>	2,144
Campaigning and influencing	-	1,272	1,678	-	285	<b>3,235</b>	3,151
Education, health and wellbeing	327	9,486	3,751	211	2,894	<b>16,669</b>	15,470
Housing	25	1,341	381	-	213	<b>1,960</b>	1,863
Employment	82	747	159	-	165	<b>1,153</b>	1,112
Volunteering	-	125	27	-	24	<b>176</b>	125
Social enterprise	-	520	517	-	134	<b>1,171</b>	1,093
Cost of raising funds	-	2,262	12,450	70	454	<b>15,236</b>	13,512
Retail costs	-	690	1,044	-	158	<b>1,892</b>	1,245
	434	17,023	20,767	914	4,429	<b>43,567</b>	39,715
Support costs	-	4,119	310	-	(4,429)	-	-
<b>Total expenditure</b>	<b>434</b>	<b>21,142</b>	<b>21,077</b>	<b>914</b>	<b>-</b>	<b>43,567</b>	39,715
Total expenditure 2018	474	19,329	18,861	1,051	-	-	39,715

Other direct costs include fundraising costs, premises costs as well as other costs not classed as either staff nor grants payable.

	Management	Finance & Information governance	IT & Data	Facilities	Human Resources and Learning Development	New Development	Organisational Development	<b>2019 Total</b>
	£000	£000	£000	£000	£000	£000	£000	<b>£000</b>
Christmas	9	13	41	5	25	6	3	<b>102</b>
Campaigning and influencing	26	34	115	15	70	17	8	<b>285</b>
Education, health and wellbeing	262	342	1,189	149	702	168	82	<b>2,894</b>
Housing	20	26	85	11	52	13	6	<b>213</b>
Employment	15	20	65	9	41	10	5	<b>165</b>
Volunteering	2	3	10	1	6	1	1	<b>24</b>
Social enterprise	12	16	54	7	33	8	4	<b>134</b>
Cost of raising funds	42	54	182	24	112	27	13	<b>454</b>
Retail	18	24	39	10	49	12	6	<b>158</b>
	406	532	1,780	231	1,090	262	128	<b>4,429</b>

## 5b. Analysis of expenditure (prior year)

	Grants payable (Note 6) £000	Staff costs (Note 8) £000	Other direct costs £000	Gifts in kind and donated services £000	Allocation of support and governance costs £000	2018 Total £000	2017 Total £000
Christmas	-	543	737	763	102	2,145	2,161
Campaigning and influencing	-	1,202	1,729	-	220	3,151	2,131
Education, health and wellbeing	230	8,822	3,346	179	2,893	15,470	13,992
Housing	150	1,142	334	-	237	1,863	1,594
Employment	94	710	147	-	161	1,112	1,082
Volunteering	-	93	15	-	17	125	126
Social enterprise	-	539	351	-	203	1,093	976
Cost of raising funds	-	1,986	11,027	109	389	13,511	12,705
Retail costs	-	451	676	-	118	1,245	818
	474	15,488	18,362	1,051	4,340	39,715	35,585
Support costs	-	3,841	499	-	(4,340)	-	-
Total expenditure 2018	474	19,329	18,861	1,051	-	39,715	-
Total expenditure 2017	266	16,651	17,398	836	-	-	35,585

Other direct costs include fundraising costs, premises costs as well as other costs not classed as either staff nor grants payable.

	Management £000	Finance & Data Protection £000	IT £000	Facilities £000	Human Resources and Learning Development £000	New Developments £000	Innovation & Enterprise £000	2018 Total £000
Cost of generating funds	39	44	134	29	87	25	32	390
Retail	11	13	41	9	26	8	10	118
Christmas	10	12	35	8	23	7	8	103
Campaigning and influencing	21	25	76	17	49	14	18	220
Education, health and wellbeing	281	328	996	218	643	188	238	2,892
Employment	16	18	55	12	36	10	13	160
Volunteering	2	2	6	1	4	1	1	17
Social enterprise	20	23	70	15	45	13	17	203
Housing	23	27	82	18	53	15	19	237
	423	492	1,495	327	966	281	356	4,340

## 6. Grant making

	Grants to institutions £000	Grants to individuals £000	2019 £000	Grants to institutions £000	Grants to individuals £000	2018 £000
Sharing Solutions Programme	-	-	-	-	-	150
Crisis Changing Lives	-	82	82	150	-	94
Tackling Multiple Disadvantage Programme	149	-	149	-	94	133
Tackling homelessness for women survivors of modern day slavery	55	-	55	133	-	-
European union settlement scheme	123	-	123	-	-	-
Other	25	-	25	97	-	97
	352	82	434	380	94	474

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. No grants were made in the financial year.

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. Grants were made to 64 members with an average grant of £1,300.

Tackling Multiple Disadvantage is a project partnership targeting some of the most socially and economically excluded people in east, north and west London giving them skills, confidence and motivation to engage with the labour market and make an active contribution to the economy and society as a whole. Grants are made to three partners Thames Reach, City and Hackney Mind and St Mungo's. The average grant was £50,000. This programme is part of the National Lottery Community Fund Building Better Opportunities programme, funded by the European Social fund.

Tackling homelessness for women survivors of modern day slavery is a project funded by the Department for Digital, Culture, Media and Sport through the Tampon tax fund. The project aims include enabling homelessness charities to identify, protect and support female victims of modern slavery as well as developing the national understanding of homelessness and modern slavery affecting women through development of a national database. This will ensure women affected by homelessness and modern slavery are supported and protected to break out of the cycle of exploitation and destitution. Crisis, alongside its partners on the project, will develop a new model of supported housing for women who have experience of homelessness and modern slavery. Grants were made to two organisations with an average grant of £28,000.

Crisis is leading a pan-London partnership project funded by the Home Office to deliver a coordinated approach supporting vulnerable and at-risk EU citizens to make EU Settlement Scheme applications. The partnership is formed of expert organisations working with EU citizens across the homelessness and migration sectors in 12 London boroughs. Grants will be made to eight organisations with an average grant of £15,000.

The project works with people who are currently homeless, at risk of being homeless or who have been homeless in the last two years – including victims of domestic abuse, modern slavery and/or trafficking through some of the partners' specialist projects. The partnership will offer multiple access points – at day centre services, referrals from commissioned rough sleeping services across London, and referrals from other agencies working in the homelessness and migration sectors.

## 7. Net income for the year

This is stated after charging / (crediting):

	2019 £000	2018 £000
Depreciation	702	624
Loss or profit on disposal of fixed assets	(54)	-
Operating lease rentals:		
Property	2,021	1,858
Auditors' remuneration (excluding VAT):		
Audit	18	18
Other services	3	20

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

Staff costs were as follows:

	2019 £000	2018 £000
Salaries and wages	17,674	16,306
Redundancy and termination costs	80	101
Social security costs	1,744	1,591
Pension costs	1,644	1,331
	<b>21,142</b>	<b>19,329</b>

The following number of employees received employee benefits (excluding employer pension costs) during the year between:

	2019 No.	2018 No.
£60,000 - £69,999	5	3
£70,000 - £79,999	1	3
£80,000 - £89,999	4	2
£90,000 - £99,999	1	-
£110,000 - £119,999	-	1
£120,000 - £129,999	1	-

The total employee benefits including pension contributions of the key management personnel were £728,000 (2018: £708,000). The key management personnel are the senior management team listed on page 7.

The charity trustees were not paid nor received any other benefits from employment with the charity in the year (2018: £nil). No charity trustee received payment for professional or other services supplied to the charity (2018: £nil).

Trustees' expenses represents the payment of travel and subsistence costs totalling £2,077 (2018: £131) relating to attendance at meetings of the trustees. The numbers of trustees incurring expenses during the year was 2 (2018:1).

## 9. Staff numbers

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

	2019 No.	2018 No.
Raising funds	57	52
Retail	24	17
Christmas	13	13
Campaigning and influencing	36	34
Education, health and wellbeing	330	329
Housing	27	26
Employment	19	18
Volunteering	3	2
Social Enterprise	18	24
Support	59	53
Management	10	9
	<b>596</b>	<b>577</b>

### Volunteer Contribution:

Crisis is extremely fortunate to receive the generous support of our volunteers.

	2019 No.	2018 No.
Average number of volunteers	<b>14,000</b>	<b>11,704</b>

## 10. Related party transactions

Keith Felton, a member of the Crisis senior management team, is a trustee of Arts at the Old Fire Station (AOFS) who are a sub-tenant of Crisis in Oxford. No rental costs were charged as the costs are covered by a grant from Oxford City Council. Crisis provides services to AOFS on a full cost recovery basis. Crisis paid AOFS £20,333 (2018: £22,616) for various development and consultancy services in the year. A major refurbishment of the building was undertaken in Oxford and overall costs recharged to AOFS were £90,847.

Terrie Alafat, a trustee of the Crisis, is the Chief Executive for the Chartered Institute of Housing (CIH). Crisis co-sponsored the CIH Housing annual review for £8,400 (2018: £8,400). Crisis has been sponsoring the annual housing review for several years prior to Terrie joining CIH. Crisis paid £194 (2018: £2,093) for membership and training. Terrie is also a trustee of Hestia Housing and Support who are a partner of the Tackling homelessness for women survivors of modern day slavery project funded by the Department of Digital Culture, Media and Sport. Hestia's grant award is £614,000 over a 3 year funding period and in 2018/19, 34,249 (2018: nil) was due to Hestia.

Jon Sparkes, Chief Executive of Crisis is a trustee of South Yorkshire Housing Association (SYHA). Crisis received a fee of £2,677 (2018: £1,000) payable to non-executive directors. Crisis is also a grant recipient from SYHA of £38,082 (2018: £40,736) on the Building Better Opportunities programme funded by the European Social fund.

Jon is also a trustee of the Centre for Homelessness Impact (CHI) which, in the year, was a project within Crisis but became an independent legal entity in July 2019. The CHI project restricted fund balances were transferred to the new entity post year end.

Tamsin Stirling, a trustee of the Crisis, is a trustee of Bevan Foundation to whom Crisis paid an annual subscription of £312 (2018: £312).

## 11. Taxation

The company is registered as a charity and is entitled to the exemptions under the Corporation Tax Act 2011.

Corporation tax charge at 19% (2018: 19%) for Crisis at Christmas Limited is Enil (2018: Enil).

## 12. Tangible fixed assets

The group and charity	Freehold property £000	Leasehold improvements £000	Office equipment £000	Total £000
<b>Cost</b>				
At the start of the year	2,316	4,929	1,500	<b>8,745</b>
Additions in year	-	462	394	<b>856</b>
Disposals in year	(10)	(30)	(302)	<b>(342)</b>
At the end of the year	<b>2,306</b>	<b>5,361</b>	<b>1,592</b>	<b>9,259</b>
<b>Depreciation</b>				
At the start of the year	1,205	1,946	802	<b>3,953</b>
Charge for the year	50	416	236	<b>702</b>
Eliminated on disposal	(5)	(24)	(259)	<b>(288)</b>
At the end of the year	<b>1,250</b>	<b>2,338</b>	<b>779</b>	<b>4,367</b>
<b>Net book value</b>				
<b>At the end of the year</b>	<b>1,056</b>	<b>3,023</b>	<b>813</b>	<b>4,892</b>
At the start of the year	1,111	2,983	698	4,792

All of the above assets are used for charitable purposes.

The value of the land on the freehold property cannot be determined hence the whole cost of the freehold property is depreciated over fifty years.

The freehold land and building in Newcastle was purchased using a grant from the Department for Communities and Local Government (via the Council of the City of Newcastle Upon Tyne). A 15 year legal charge was placed on the building in August 2006 . At 30 June 2019, the legal charge on the building was £780,000 (2018: £1,040,000).

## 13. Listed investments

The group and charity	2019 £000	2018 £000
Fair value at the start of the year	<b>792</b>	754
Net gain / (loss) on change in fair value	<b>65</b>	38
Fair value at the end of the year	<b>857</b>	792
Investments comprise:		
	<b>2019 £000</b>	2018 £000
UK Common investment funds	<b>857</b>	792
	<b>857</b>	792

At the year end, the value of fixed asset investments held in a common investment fund amounted to £857,000 (2018: £792,000). The fund at 30th June 2019 was invested in UK and foreign equities (70%), infrastructure and property (15%), cash and fixed interest (10%). The historical cost of this investment was £569,000.

## 14. Subsidiary undertaking

The charitable company had a wholly owned subsidiary, Crisis at Christmas Limited, a company limited by guarantee and incorporated in England. The subsidiary is used for non-primary purpose trading activities. All activities have been consolidated on a line by line basis in the statement of financial activities. Crisis at Christmas Limited does not have a tax liability and available profits are gift aided to the charitable company. A summary of the results of the subsidiary is shown below:

	2019 £000	2018 £000
Turnover	<b>231</b>	33
Cost of sales	-	-
Gross profit	<b>231</b>	33
Administrative expenses	<b>(3)</b>	(3)
Management charge due to parent undertaking	<b>(13)</b>	(19)
Profit / (loss) for the financial year	<b>215</b>	11
The aggregate of the assets, liabilities and funds was:		
Assets	<b>89</b>	13
Liabilities	<b>(89)</b>	(13)
Funds	-	-

## 15. Parent charity

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

	<b>2019</b>	2018
	<b>£000</b>	£000
Gross income	<b>53,606</b>	40,918
Result for the year	<b>10,042</b>	1,203

## 16. Debtors

	<b>Group</b>		<b>Charity</b>	
	<b>2019</b>	2018	<b>2019</b>	2018
	<b>£000</b>	£000	<b>£000</b>	£000
Income tax (gift aid) recoverable	<b>202</b>	414	<b>202</b>	414
Sundry debtors	<b>497</b>	443	<b>458</b>	440
Prepayments and accrued income	<b>1,492</b>	1,243	<b>1,492</b>	1,243
Amounts due from subsidiary undertakings	<b>-</b>	-	<b>60</b>	-
	<b>2,191</b>	2,100	<b>2,212</b>	2,097

## 17. Creditors: amounts falling due within one year

	<b>Group</b>		<b>Charity</b>	
	<b>2019</b>	2018	<b>2019</b>	2018
	<b>£000</b>	£000	<b>£000</b>	£000
Trade creditors	<b>942</b>	909	<b>931</b>	899
Taxation and social security	<b>496</b>	442	<b>479</b>	442
Other creditors	<b>513</b>	292	<b>513</b>	292
Accruals	<b>723</b>	541	<b>722</b>	539
Amounts due to subsidiary undertakings	<b>-</b>	-	<b>-</b>	2
	<b>2,674</b>	2,184	<b>2,645</b>	2,174

## 18. Pension scheme

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 £1,644,000 (2018: £1,331,000).

## 19a. Analysis of group net assets between funds

	General unrestricted £000	Designated funds £000	Restricted funds £000	<b>Total funds £000</b>
Tangible fixed assets	-	4,078	814	<b>4,892</b>
Fixed asset Investment	857	-	-	<b>857</b>
Current assets	14,767	8,100	730	<b>23,597</b>
Current liabilities	(2,674)	-	-	<b>(2,674)</b>
<b>Net assets at the end of the year</b>	<b>12,950</b>	<b>12,178</b>	<b>1,544</b>	<b>26,672</b>

## 19b. Analysis of group net assets between funds (prior year)

	General unrestricted £000	Designated funds £000	Restricted funds £000	Total funds £000
Tangible fixed assets	-	3,956	836	4,792
Fixed asset Investment	793	-	-	793
Current assets	11,052	1,300	880	13,232
Current liabilities	(2,184)	-	-	(2,184)
<b>Net assets at the end of the year</b>	<b>9,661</b>	<b>5,256</b>	<b>1,716</b>	<b>16,633</b>

## 20a. Movements in funds

	At the start of the year	Incoming resources & gains	Outgoing resources & losses	Transfers	At the end of the year
	£000	£000	£000	£000	£000
<b>Restricted funds:</b>					
Cost of generating funds	-	70	(70)	-	-
Crisis at Christmas	-	1,108	(1,108)	-	-
<b>Education, health and wellbeing</b>					
Skylight Newcastle (capital)	836	-	(22)	-	<b>814</b>
Skylight London (revenue)	2	3,082	(3,084)	-	-
National Lottery Community Fund - ESF Building Better Opportunities	27	484	(468)	-	<b>43</b>
Learning Zone	161	403	(403)	-	<b>161</b>
The National Lottery Community Fund - Skylight London	12	-	(12)	-	-
The National Lottery Community Fund - Skylight Birmingham	37	112	(149)	-	-
The National Lottery Community Fund - Skylight Merseyside	-	109	(109)	-	-
Skylight Newcastle	25	184	(209)	-	-
Skylight Birmingham	-	113	(113)	-	-
Skylight Oxford	-	242	(242)	-	-
Skylight Edinburgh	-	326	(326)	-	-
Skylight Merseyside	-	6	(6)	-	-
Skylight South Yorkshire	41	176	(176)	-	<b>41</b>
Skylight Coventry & Warwickshire	42	106	(106)	-	<b>42</b>
Skylight Croydon	-	392	(392)	-	-
Skylight Brent	56	216	(263)	-	<b>9</b>
Skylight South Wales	-	36	(36)	-	-
Tackling homelessness for women survivors of modern day slavery	-	64	(64)	-	-
European Union Settlement Scheme	-	150	(150)	-	-
Tackling inactivity and economic disadvantage programme (Sport England)	-	18	(5)	-	<b>13</b>
Roots out of homelessness (Islamic Relief)	-	72	(19)	-	<b>53</b>
<b>Campaigning and Influencing</b>					
Research	-	33	(33)	-	-
Policy	235	-	(235)	-	-
Centre for Homelessness Impact	108	927	(824)	-	<b>211</b>
<b>Housing</b>					
Housing (Homelessness Reduction Act)	134	223	(232)	-	<b>125</b>
Other housing	-	517	(485)	-	<b>32</b>

### Skylight Café (capital)

Skylight London Café (capital)	-	1	-	-	-
Skylight London Café (revenue)	-	45	(45)	-	-
Employment opportunities	-	158	(158)	-	-
<b>Total restricted funds</b>	<b>1,716</b>	<b>9,373</b>	<b>(9,545)</b>	<b>-</b>	<b>1,544</b>
<b>Unrestricted funds:</b>					
Designated funds:					
New developments	1,300	-	-	(1,300)	-
Skylights refurbishment	-	-	-	3,000	<b>3,000</b>
Digital income development	-	-	-	700	<b>700</b>
Supporter engagement	-	-	-	2,100	<b>2,100</b>
Technology and major systems	-	-	-	2,300	<b>2,300</b>
Tangible fixed asset reserve	3,956	-	-	122	<b>4,078</b>
Total designated funds	5,256	-	-	6,922	<b>12,178</b>
<b>General funds</b>	<b>9,661</b>	<b>44,233</b>	<b>(34,022)</b>	<b>(6,922)</b>	<b>12,963</b>
<b>Total unrestricted funds</b>	<b>14,917</b>	<b>44,233</b>	<b>(34,022)</b>	<b>-</b>	<b>25,141</b>
<b>Total funds</b>	<b>16,633</b>	<b>53,606</b>	<b>(43,567)</b>	<b>-</b>	<b>26,672</b>

**20b. Movements in funds (prior year)**

	At the start of the year	Incoming resources & gains	Outgoing resources & losses	Transfers	At the end of the year
	£000	£000	£000	£000	£000
<b>Restricted funds:</b>					
<b>Cost of generating funds</b>	-	109	(109)	-	-
<b>Crisis at Christmas</b>	-	1,124	(1,124)	-	-
<b>Education, health and wellbeing</b>					
Skylight Newcastle (capital)	858	-	(22)	-	<b>836</b>
Skylight London (revenue)	4	1,845	(1,847)	-	<b>2</b>
The National Lottery Community Fund - ESF Building Better Opportunities	61	417	(451)	-	<b>27</b>
Learning Zone	-	402	(241)	-	<b>161</b>
The National Lottery Community Fund - Skylight London	65	143	(196)	-	<b>12</b>
The National Lottery Community Fund - Skylight Oxford	47	110	(157)	-	-
The National Lottery Community Fund - Skylight Birmingham	32	133	(128)	-	<b>37</b>
The National Lottery Community Fund - Skylight Merseyside	19	129	(148)	-	-
The National Lottery Community Fund - Skylight Edinburgh	43	-	(43)	-	-
The National Lottery Community Fund - Coventry & Warwickshire Skylight	127	-	(127)	-	-
Skylight Newcastle	-	235	(210)	-	<b>25</b>
Skylight Birmingham	-	90	(90)	-	-
Skylight Oxford	-	240	(240)	-	-
Skylight Edinburgh	-	247	(247)	-	-
Skylight Merseyside	-	7	(7)	-	-
Skylight South Yorkshire	-	244	(203)	-	<b>41</b>
Skylight Coventry & Warwickshire	-	103	(61)	-	<b>42</b>
Skylight Croydon	-	372	(372)	-	-
Skylight Brent	41	296	(281)	-	<b>56</b>
Skylight South Wales	-	45	(45)	-	-
<b>Campaigning and Influencing</b>					
Research	-	44	(44)	-	-
Policy	230	246	(241)	-	<b>235</b>
Centre for Homelessness Impact	-	450	(342)	-	<b>108</b>
<b>Housing</b>					
PRS Access Scheme	-	40	(40)	-	-
PRS (Scotland)	-	54	(54)	-	-
Housing First	-	-	-	-	-
Other housing	44	628	(538)	-	<b>134</b>

<b>Skylight Café (capital)</b>	-	19	(19)	-	-
Skylight Café (revenue)	-	15	(15)	-	-
Employment opportunities	-	165	(165)	-	-
Changing Lives	-	10	(10)	-	-
<b>Total restricted funds</b>	<b>1,571</b>	<b>7,962</b>	<b>(7,817)</b>	-	<b>1,716</b>
<b>Unrestricted funds:</b>					
Designated funds:					
New developments	4,100	-	-	(2,800)	<b>1,300</b>
Tangible fixed asset reserve	3,744	-	-	212	<b>3,956</b>
<b>Total designated funds</b>	7,844	-	-	(2,588)	<b>5,256</b>
General funds	5,981	32,990	(31,898)	2,588	<b>9,661</b>
Total unrestricted funds	13,825	32,990	(31,898)	-	<b>14,917</b>
<b>Total funds</b>	<b>15,396</b>	<b>40,952</b>	<b>(39,715)</b>	-	<b>16,633</b>



### Purposes of restricted funds

**Crisis Skylight Newcastle (capital):** 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. A legal charge was placed on the building ( Note 14) hence the continuing restriction.

**The National Lottery Community Fund - ESF Building Better Opportunities:** The Tackling Multiple Disadvantage (TMD) project is funded by European Social Fund to support homeless people with complex or multiple needs into training or employment in London. Homeless people with needs relating to mental health, substance misuse or a history of offending can now access free, personalised support to improve their skills, resilience and job prospects. The TMD partnership of Crisis, Thames Reach, St Mungo’s and Mind in the City, Hackney & Waltham Forest will engage and support 600 people by the end of 2019.

**Learning Zone:** The Learning Zone within Skylight London provides educational opportunities for Crisis members and funds were received restricted for this purpose and the funds have been spent according to funder requirement.

**The National Lottery Community Fund Skylight funds:** The National Lottery Community Fund funds costs within various Crisis Skylights. The balances at the year-end represent unspent funds to be expended in the following year.

**Other Skylight funds:** These funds are specific funds received towards areas of our work within our Skylights; the balance carried forward represents unspent funds at the year-end to be expended in the following year.

**Other Housing:** The Oak Foundation agreed to fund our work on the Homelessness Reduction Act. The project commenced in February 2018 and the balance represents unspent funds at the year end.

**Roots out of homelessness:** The Islamic Relief funds the project with an aim of improving the financial security and welfare of homeless and vulnerably housed people in East London. The balance at the year represents unspent funds to be expended in the following.

**Tackling inactivity and economic disadvantage programme:** Sports England fund this programme aiming to support inactive people from lower socio economic groups to fit activity into their lives.

### Purposes of designated funds

**New developments:** This reserve was designated by the trustees to be used for new Skylight developments and represented the estimated capital and operating costs for the first three years of planned new Skylight centres for the next 36 months, net of projected income relating specifically to these projects. During the year ended 30th June 2019, the opening balance has been transferred to general reserves. As no new Skylights are anticipated, this reserve is no longer required.

**Skylights refurbishment:** This reserve has been designated by the trustees to be used for the refurbishment of Skylights as some of our Skylights move into new premises or undergo significant reconfiguration work to enable us to provide a better service for our members.

**Digital income development fund:** To ensure that we meet the expectations of our supporters (which are evolving constantly, driven by changes in technology), the trustees have designated funds to establish a team to transform the digital culture, capability and technology to meet these changing needs. We will therefore continue to offer supporter excellence while maximising the opportunities offered by the digital and technological revolution.

**Technology and major systems fund:** This reserve has been designated by the trustees, recognising the need to invest in core systems to ensure that we continue to deliver excellent services to our members and supporters. This fund will enable us to improve the effectiveness and efficiency of our operations, reflecting the significant growth in the charity over recent years, as well as increasing volume and complexity of demands on our services. We will initially develop a data and digital strategy, following which we anticipate developing systems, including supporter management and administration, HR and finance.

**Supporter engagement:** This reserve has been designated by the trustees to develop our engagement with supporters across all categories (including donors, campaigners and volunteers), recognising that people support Crisis in a variety of ways and ensuring that we provide the best supporter care possible.

**Tangible fixed asset reserve:** This reserve represents the net book value of tangible fixed assets (excluding those items which are included within restricted reserve) in continuing use by the charity which are not by the nature of tangible fixed assets , readily available for use for other purposes.

### 21. Reconciliation of net income / (expenditure) to net cash flow from operating activities

	2019 £000	2018 £000
<b>Net income / (expenditure) for the reporting period (as per the statement of financial activities)</b>	<b>10,039</b>	1,237
Depreciation charges	702	624
(Gains) / losses on investments	(65)	(38)
Dividends, interest and rent from investments	(114)	(61)
(Profit) / loss on the disposal of fixed assets	54	-
(Increase) / decrease in debtors	(91)	132
Increase / (decrease) in creditors	490	380
<b>Net cash provided by / (used in) operating activities</b>	<b>11,015</b>	2,274

### 22. Analysis of cash and cash equivalents

	At 1 July 2018 £000	Cash flows £000	At 30 June 2019 £000
Cash at bank and in hand	11,129	2,673	13,802
Short term deposit	-	7,600	7,600
<b>Total cash and cash equivalents</b>	<b>11,129</b>	10,273	<b>21,402</b>

### 23. Funds held as an agent of Greater Manchester’s Mayor Homelessness fund

The charity acted as agent for the Greater Manchester’s Mayor Homelessness fund in collecting donations on its behalf while the Mayor’s charity was being set up. The income and expenditure relating to this is excluded from the Statement of Financial Activities.

	At the start of the year £000	Incoming Resources £000	Resources Expended £000	At the end of the year £000
GM Mayor’s fund	104	104	(34)	174

The fund balance at the year is included in the creditor balance at the year end. The balance at the year end was subsequently transferred to the Mayor’s charity after the year end.

## 24. Operating lease commitments

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

	Property	
	2019	2018
	£000	£000
Less than one year	<b>2,021</b>	1,858
One to five years	<b>5,286</b>	5,698
Over five years	<b>3,398</b>	3,236
	<b>10,705</b>	10,793

## 25. Capital commitments

At the balance sheet date, the group had committed to £200,000 (2018: £285,000) towards the refurbishment of additional office space under lease in London.

## 26. Legal status of the charity

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

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Together  
we will end  
homelessness