

1197478

LONDON CYRENIANS HOUSING

REPORT AND ACCOUNTS

for the year ended

31 MARCH 1997



LONDON CYRENIANS HOUSING LIMITED

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LONDON CYRENIANS HOUSING LIMITED

LEGAL AND ADMINISTRATIVE DETAILS

STATUS	Company limited by guarantee without share capital and registered as a charity
HONORARY OFFICERS	Caitriona Carroll (Chair) Marian McGowan (Treasurer) Enid Marron (Secretary)
REGISTERED OFFICE	Grove House 27 Hammersmith Grove London W6 0NE
BANKERS	Barclays Bank Plc Scrubs Lane London NW10 6AH
AUDITORS	Smith & Williamson Chartered Accountants No 1 Riding House Street London W1A 3AS
COMPANY'S REGISTERED NUMBER	1197478
CHARITY REGISTRATION NUMBER	269158

LONDON CYRENIANS HOUSING LIMITED

REPORT OF THE COUNCIL OF MANAGEMENT

The Council of Management presents its report and the accounts for the year ended 31 March 1997.

Activities

The principal activity of the company continues to be the provision of supported housing and care services.

Review of affairs

In this our 25th year of existence London Cyrenians Housing are still pleased to be providing user led care and support services to vulnerable people. We are encouraged to report that despite working in times of scant and ever decreasing resources, we have been able to extend our service provision during the past year. Our Registered Care Home for people with mental health problems in Ealing opened in September 1996 and a further two hostel developments came on stream in January and March 1997 in Kensington & Chelsea and Hammersmith & Fulham respectively. Furthermore our floating support model of service provision came into service during October 1996 giving 10 people the opportunity to live in their own self contained accommodation.

We look forward to the future which includes the opportunity to further develop services for homeless people with mental health problems as part of the Rough Sleepers Initiative in West London and to continue to play our part in meeting the care, support and housing needs of those most vulnerable in our community.

Council of Management

The following served as company directors and charity trustees during the year and up to the date of this report:

J Adeshina	S Bashorun
C Carroll	N Clark (resigned 6 November 1996)
L Day (resigned 29 May 1996)	E Fateh (resigned 29 May 1996)
J Gorrie (resigned 19 March 1997)	R Grant (resigned 29 May 1996)
M McGowan	S Manifold
W Pridmore (resigned 6 November 1996)	C Thompson
D Dent (appointed 6 November 1996)	

All members of the Council of Management are members of the company and guarantee to contribute to the assets of the company in the event of it being wound up such amounts as may be required not exceeding £1. The number of guarantees at 31 March 1997 was 23 (1996 - 22). Members of the Council of Management have no beneficial interest in the company and are not remunerated. They are indemnified by the company against legal action arising in the course of their duties by an agreement with the National Housing Federation.

LONDON CYRENIANS HOUSING LIMITED

REPORT OF THE COUNCIL OF MANAGEMENT (continued)

Auditors

Smith & Williamson were appointed as auditors in November 1996.

A resolution to re-appoint Smith & Williamson as auditors will be proposed at the next Annual General Meeting.

**APPROVED BY THE COUNCIL OF MANAGEMENT
AND SIGNED ON ITS BEHALF**

A handwritten signature in dark ink, appearing to read "E. Marron". The signature is written in a cursive, flowing style.

E. Marron
SECRETARY

LONDON CYRENIANS HOUSING LIMITED

STATEMENT OF THE RESPONSIBILITIES OF THE COUNCIL OF MANAGEMENT IN RESPECT OF THE ACCOUNTS

Company law requires the Council of Management to prepare accounts for each financial year which give a true and fair view of the state of affairs of the company and of the surplus or deficit of the company for that period. In preparing those accounts, the Council of Management is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departure disclosed and explained in the accounts ;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Council of Management is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable it to ensure that the accounts comply with the Companies Act 1985. It is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Smith & Williamson

Chartered Accountants

AUDITORS' REPORT TO THE MEMBERS OF LONDON CYRENIANS HOUSING LIMITED

We have audited the accounts on pages 7 to 19 which have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out on pages 10 and 11.

Respective responsibilities of the Council of Management and auditors

As described on page 5, the company's Council of Management are responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the accounts, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the company's affairs at 31 March 1997 and of its surplus for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Smith & Williamson

SMITH & WILLIAMSON
Chartered Accountants
Registered Auditors

12 August 1997

No 1 Riding House Street
London W1A 3AS

LONDON CYRENIANS HOUSING LIMITED

SUMMARY INCOME AND EXPENDITURE ACCOUNT for the year ended 31 MARCH 1997

	1997 £	1996 £
Total income	1,230,047	1,035,112
Total expenditure	(1,222,526)	(1,038,772)
Net income/(expenditure)	<u>7,521</u>	<u>(3,660)</u>

All of the charity's activities included above are classified as continuing.

All recognised gains and losses are included in the statement of financial activities on page 7. Movements in funds are shown on page 8 and in note 11.

LONDON CYRENIANS HOUSING LIMITED

STATEMENT OF FINANCIAL ACTIVITIES for the year ended 31 MARCH 1997

	Note	Restricted Funds £	Unrestricted Funds £	Total 1997 £	Total 1996 £
Incoming resources					
Grants and donations	2	198,245	303,273	501,518	904,989
Charges to residents		-	716,216	716,216	572,545
Interest receivable		-	12,313	12,313	16,269
Other income and fees		-	-	-	38,049
Total incoming resources		<u>198,245</u>	<u>1,031,802</u>	<u>1,230,047</u>	<u>1,531,852</u>
Resources used					
Direct charitable expenditure					
Houses expenditure		184,788	850,995	1,035,783	749,789
Team expenditure		-	-	-	58,044
Central support costs		14,137	162,660	176,797	221,011
		<u>198,925</u>	<u>1,013,655</u>	<u>1,212,580</u>	<u>1,028,844</u>
Other expenditure					
Management and administration		-	9,946	9,946	9,928
Total resources used	3	<u>198,925</u>	<u>1,023,601</u>	<u>1,222,526</u>	<u>1,038,772</u>
Net incoming resources for the year	5	(680)	8,201	7,521	493,080
Other recognised gains and losses					
Unrealised gains on investment assets		-	2,673	2,673	1,122
Net movement in funds		<u>(680)</u>	<u>10,874</u>	<u>10,194</u>	<u>494,202</u>
Funds brought forward		<u>634,447</u>	<u>103,558</u>	<u>738,005</u>	<u>243,803</u>
Funds carried forward		<u>633,767</u>	<u>114,432</u>	<u>748,199</u>	<u>738,005</u>

LONDON CYRENIANS HOUSING LIMITED

BALANCE SHEET as at 31 MARCH 1997

	Notes	1997	1996
		£	£
Fixed assets			
Tangible fixed assets	7	544,748	310,167
Investments	8	27,795	25,122
		<hr/>	<hr/>
		572,543	335,289
		<hr/>	<hr/>
Current assets			
Debtors	9	45,191	278,384
Cash at bank		311,828	216,317
		<hr/>	<hr/>
		357,019	494,701
Creditors: Amounts falling due within one year	10	(181,363)	(91,985)
		<hr/>	<hr/>
Net current assets		175,656	402,716
		<hr/>	<hr/>
Net assets		748,199	738,005
		<hr/>	<hr/>
Funds			
Unrestricted funds			
Designated funds		55,390	34,390
General funds		59,042	69,168
Restricted funds			
Perryn Road scheme		572,978	585,548
Other restricted funds		60,789	48,899
		<hr/>	<hr/>
	11	748,199	738,005
		<hr/>	<hr/>

These accounts were approved by the Council of Management on

30-7-97

C. Carroll
Director




LONDON CYRENIANS HOUSING LIMITED

NOTES TO THE ACCOUNTS for the year ended 31 MARCH 1997

1. Accounting policies

The accounts have been prepared in accordance with applicable accounting standards and follow the recommendations in the Statement of Recommended Practice: Accounting by Charities. The particular accounting policies adopted are described below.

Accounting convention

The accounts have been prepared under the historical cost convention.

Fixed assets

The capital cost of land and buildings includes the purchase price and alteration works, but not associated professional fees, which are written off to expenditure.

Depreciation has been provided at varying rates in order to write off the cost less estimated residual value of the assets over their estimated useful lives. The useful lives are estimated as follows:

Freehold property	- 20 years
Office furniture & equipment	- 3 years
Hostel furniture & equipment	- 3 years

Income

Charges to residents and income from investments are included in the Statement of Financial Activities in the year in which they are receivable.

Voluntary income is received by way of donations and gifts and is included in full in the Statement of Financial Activities when received.

Revenue grants are credited to the Statement of Financial Activities when received, unless they relate to a specified future period, in which case they are recognised in the Statement of Financial Activities in the appropriate period.

Restricted funds

Restricted funds are to be used for specified purposes as laid down by the grantor or donor. Expenditure which meets these criteria is identified to the fund, together with a fair allocation of management and administrative costs. Grants for the purchase of fixed assets are credited to a restricted fund when receivable. Depreciation on the related assets is charged against the fund.

Unrestricted funds

Unrestricted funds are donations and other income received or generated for the company's general charitable purposes.

LONDON CYRENIANS HOUSING LIMITED

NOTES TO THE ACCOUNTS for the year ended 31 MARCH 1997 (continued)

1. Accounting policies (continued)

Designated funds

Designated funds are unrestricted funds earmarked by the Council of Management for particular purposes.

Allocation of expenditure

Staff costs and overhead expenses are allocated to activities on the basis of staff time spent on those activities.

Investments

Investments held as fixed assets are revalued at mid-market value at the balance sheet date and the gain or loss taken to the Statement of Financial Activities.

Leases

All leases are considered to be operating leases, and rentals are charged against revenue when incurred. No assets are held under hire purchase agreements.

Pension costs

The charity contributes to certain employees, personal pension plans on a defined contribution basis. The pension cost charge represents the contributions payable under the scheme by the charity to the fund. The charity has no liability under the scheme other than for the payment of those contributions.

LONDON CYRENIANS HOUSING LIMITED

NOTES TO THE ACCOUNTS for the year ended 31 MARCH 1997 (continued)

2. Grants and donations

	Restricted £	Unrestricted £	1997 Total £	1996 Total £
London Borough of Hammersmith and Fulham:				
- Mental Illness Specific Grant	52,075	-	52,075	34,856
Royal Borough of Kensington and Chelsea	-	74,400	74,400	72,200
Royal Borough of Kensington and Chelsea				
- Alcohol Outreach	-	-	-	9,567
Home Office	19,391	-	19,391	15,957
London Boroughs Grant Scheme	-	30,000	30,000	44,847
(Transitional) Special Needs Management Allowance	-	195,219	195,219	187,079
Other Grants and Donations	13,542	3,654	17,196	34,043
EHHHA - Grant for Perryn Road Scheme	64,417	-	64,417	495,000
Furniture Allowances - Perryn Road Scheme	-	-	-	1,740
Furniture Grant	48,820	-	48,820	9,700
	<hr/>	<hr/>	<hr/>	<hr/>
	198,245	303,273	501,518	904,989
	<hr/>	<hr/>	<hr/>	<hr/>

London Boroughs Grant Scheme

The grant received in respect of 1996/97 has been applied against salaries and running costs of 53 hostel bed spaces (1995/96 - 53 bed spaces).

LONDON CYRENIANS HOUSING LIMITED

NOTES TO THE ACCOUNTS for the year ended 31 MARCH 1997

3. Total resources used

	Houses	Support costs	Management and Administration	1997 Total	1996 Total
	£	£	£	£	£
Staff costs					
Houses service costs	677,706	68,542		746,248	668,762
Premises costs	293,322			293,322	149,518
Travel and subsistence	3,971	32,909		32,909	26,303
Communications	9,125	4,221		8,192	6,670
Legal and professional		6,522		15,647	12,950
Audit		1,129		1,129	1,455
Annual Report			7,050	7,050	7,052
Depreciation	13,216	5,627		5,627	9,226
Bank charges		5,080		18,296	5,083
Council of Management expenses		2,692		2,692	2,357
Training			2,896	2,896	2,876
Recruitment		2,284		2,284	8,237
Stationery and photocopying		17,066		17,066	6,565
Other		9,658		9,658	9,802
Housing Association charges	2,648	21,067		23,715	86,549
	35,795			35,795	35,367
	1,035,783	176,797	9,946	1,222,526	1,038,772

LONDON CYRENIANS HOUSING LIMITED

NOTES TO THE ACCOUNTS for the year ended 31 MARCH 1997 (continued)

4. Employee information	1997 £	1996 £
Wages and salaries	665,968	603,881
Social security costs	63,815	47,082
Pension costs	16,465	17,799
	<hr/>	<hr/>
	746,248	668,762
	<hr/>	<hr/>
Total emoluments of staff	682,433	621,680
	<hr/>	<hr/>
The average weekly number of persons, employed by the company during the year was:		
	No	No
Hostel Services and Management	36	27
Support	5	5
	<hr/>	<hr/>
	41	32
	<hr/>	<hr/>
5. Net incoming resources for the year is stated after charging:-	1997 £	1996 £
Depreciation - own assets	18,296	5,083
Auditors' remuneration - audit services	7,050	5,957
Council of Management's emoluments	-	-
Council of Management's expenses	2,896	5,266
Rent of land and buildings	18,824	19,260
	<hr/>	<hr/>
and after crediting:-		
Income from listed investments	752	882
Bank interest receivable	2,085	2,166
Charities deposit interest receivable	9,476	14,103
	<hr/>	<hr/>

6. Taxation

All income is applied for charitable purposes and therefore the charity is exempt from corporation tax.

LONDON CYRENIANS HOUSING LIMITED

NOTES TO THE ACCOUNTS for the year ended 31 MARCH 1997 (continued)

7. Tangible fixed assets

	Freehold property £	Office furniture & plant and equipment £	Hostel furniture & equipment £	Total £
Cost				
At 1 April 1996	300,000	44,590	94,895	439,485
Additions	250,950	1,927	-	252,877
At 31 March 1997	550,950	46,517	94,895	692,362
Depreciation				
At 1 April 1996	-	35,715	93,603	129,318
Provided during the year	12,570	5,080	646	18,296
At 31 March 1997	12,570	40,795	94,249	147,614
Net book value				
At 31 March 1997	538,380	5,722	646	544,748
At 31 March 1996	300,000	8,875	1,292	310,167

The freehold property is given as security by a legal charge for the grant of £495,000 received from Ealing, Hammersmith & Hounslow Health Authority.

8. Investments

	Cost £	1997 Market value £	Cost £	1996 Market value £
Other investments:				
Charities Official Investment Fund				
2,837.60 Income Share	20,000	22,944	20,000	20,808
2,020.81 Fixed Interest				
Accumulation shares	4,000	4,851	4,000	4,314
	20,000	27,795	24,000	25,122

LONDON CYRENIANS HOUSING LIMITED

NOTES TO THE ACCOUNTS for the year ended 31 MARCH 1997 (continued)

9. Debtors	1997	1996
	£	£
Residents' charges in arrears	27,749	35,117
Revenue grants receivable	6,808	38,211
Capital grants receivable	-	194,793
Other debtors	1,228	3,441
Prepayments and accrued income	9,406	6,822
	<hr/>	<hr/>
	45,191	278,384
	<hr/>	<hr/>
10. Creditors: Amounts falling due within one year	£	£
Residents charges in advance	31,602	14,271
Other tax and social security creditors	58,132	22,054
Other creditors	15,858	31,433
Accruals and deferred income	75,771	24,227
	<hr/>	<hr/>
	181,363	91,985
	<hr/>	<hr/>

LONDON CYRENIANS HOUSING LIMITED

NOTES TO THE ACCOUNTS for the year ended 31 MARCH 1997

11. Movements in funds

	Restricted funds			Unrestricted funds				
	Equipment £	Perryn Road £	Projects/ services £	Contractual obligations to employees £	Office relocation £	Community support £	General £	Total £
Balance at 1 April 1996	33,861	585,548	15,038	21,500	-	12,890	69,168	738,005
Total incoming resources	-	-	198,245	-	-	-	1,031,802	1,230,047
Resources used								
Direct charitable expenditure								
Project expenditure	646	12,570	171,572	-	-	-	850,995	1,035,783
Support costs	5,080	-	9,057	-	-	-	162,660	176,797
Management and administration	-	-	-	-	-	-	9,946	9,946
Total resources used	5,726	12,570	180,629	-	-	-	1,023,601	1,222,526
Net incoming resources before transfers	(5,726)	(12,570)	17,616	-	-	-	8,201	7,521
Transfers between funds	-	-	-	10,000	15,000	(4,000)	(21,000)	-
Unrealised gain on investment assets	-	-	-	-	-	-	2,673	2,673
Net movement in funds	(5,726)	(12,570)	17,616	10,000	15,000	(4,000)	(10,126)	10,194
Balance at 31 March 1997	28,135	572,978	32,654	31,500	15,000	8,890	59,042	748,199

LONDON CYRENIANS HOUSING LIMITED

NOTES TO THE ACCOUNTS for the year ended 31 MARCH 1997 (Continued)

12. Analysis of net assets between funds

	Tangible fixed assets £	Investments £	Net current assets £	Total funds £
Restricted funds: Perryn Road scheme	538,380	-	34,598	572,978
Other	6,368	-	54,421	60,789
Designated funds	-	-	55,390	55,390
General funds	-	27,795	31,247	59,042
Total net assets	544,748	27,795	175,656	748,199

13. Purpose of Restricted and Designated Funds

Restricted:

Perryn Road Capital - A Registered Care Home whose purchase and renovation was funded by a grant from Ealing, Hammersmith and Hounslow Health Authority and the use of previously designated reserves from LCH. The grant is repayable upon the sale of the property. The furnishing was funded from a fundraising programme. The Care Home was opened in the autumn of 1996.

Equipment Fund - Capital funding provided for specific improvements in the hostels, care homes and central office expended as part of a phased improvement programme on appropriate schemes.

Projects/Services - Funds specifically provided for the enhancement of services by provision of additional staffing cover or alternative support schemes such as the Sunday Activities Club or provision of support for non-statutorily funded client groups.

Designated:

Contractual obligation to employees - Funds to meet contractual obligations regarding maternity, redundancy, pensions or long term sickness not covered by the Group Health Scheme.

Community support fund - Fund to cover costs in introducing community mental health outreach services in new areas and which continues to be offered.

Office relocation - Central office will have to relocate on the termination of its lease at Grove House and funds will be required for the relocation costs and fitting out of the premises.

LONDON CYRENIANS HOUSING LIMITED

NOTES TO THE ACCOUNTS for the year ended 31 MARCH 1997 (Continued)

14. Operating lease commitments

At 31 March 1997 the company had annual commitments under non-cancellable operating leases as follows:

	1997 Land and buildings £	1996 Land and buildings £
For leases expiring:		
After more than five years	19,260	19,260
	<hr/>	<hr/>

15. Capital commitments

	1997 £	1996 £
Expenditure authorised by the Council of Management not contracted for	132,000	-
	<hr/>	<hr/>