



St Paul's Hostel

(A company limited by guarantee)

Report and Financial Statements

Year ended: 31 March 2019

Charity no: 1043921

Company no: 03009035



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Legal and administrative information

Company number: 03009035 (England and Wales)

Charity number: 1043921

Trustees: R I Sykes
D J Morris
P M Kinsella
P A Fowler
C Bridges
H N Watts
K D Archer
M A Rothwell
I A Cook
S Turner
F Martin appointed 04/06/2019

Chief Executive: Mr J Sutton

**Company Secretary
& Finance Manager:** D A Collins

Registered Office: Hillborough
Tallow Hill
Worcester
Worcestershire
WR5 1DB

**Independent
Examiners:** RD Accounting Limited
Chartered Certified Accountants
109A Windmill Hill
Halesowen
B63 2BY

Bankers: CAF Bank Limited
25 Kings Hill Avenue
Kings Hill
West Malling
Kent
ME19 4JQ

HR Advisor: June Mills HR Solutions

Chair's Report for the year ended 31 March 2019

The highlight of the year was our first large public engagement event and an opportunity to explain to local businesses, public sector representatives, other charities and members of the public how the work we undertake, matters to the City. Located at the wonderful venue of the Army Reserve Centre in Lowesmoor, Worcester, a breakfast event was hosted by Trustees, staff and residents. Nearly 80 guests were treated to a wonderful breakfast – smoked salmon, eggs, bagels - cooked by our Chef and his Big Lottery Kitchen Assistants.

Branded and entitled "What happened to you", our Chair of Trustees welcomed our guests and explained how our Trauma Informed Approach has changed the way our service works and the impact these changes have had. We welcomed Mr Sean Williams, Head Teacher of The Forge Pupil Referral Unit (PRU) Redditch. Mr Williams spoke about the prevalence of Childhood Trauma, the therapeutic approach they use at The Forge and how this leads to improved educational and social outcomes. Kerry Marnell, current resident, together with former resident and now staff member Rosie Kirkham, enthralled the audience with their personal stories, punctuated and brought to life with humour and emotion.

Homeless Reduction Act 2018

Colleagues from Local Authorities are now dealing with their additional responsibilities under the Homeless Reduction Act. Later in the year the duty to refer, part of the Homelessness Reduction Act 2017, that aims to help people get access to homelessness services as soon as possible by ensuring that peoples' housing needs are considered when they meet a range of public authorities, was introduced. There has been no noticeable reduction in demand on our services because of the new Act.

In the early autumn Universal Credit went live in Worcester City. An often-maligned change to the state benefit system, it has not been without its challenges with digital access and monthly payments identified as the most challenging features for residents. Staff prepared well for this major change and used it to improve internal processes. As a result, the annual percentage of debt from uncollected housing benefit and non-eligible debts fell to only 2.2% (from 6.5% and 5.5% the previous years).

City of Worcester

It was no surprise that the autumn Rough Sleeper Count saw rough sleeper levels increase nearly everywhere across the county. In Worcester, the numbers increased from 12 to 24 with numbers across the county rising by 112%. Rough sleeper counts are only estimates and under-estimates with street-based charities approximating Worcester numbers are nearer to 40. We hope the recommissioning of the Worcestershire Single Person and Childless Couples Support Service in the summer of 2019 can complement the Magg's Outreach And Transition Service (MOATS) funded by Big Lottery between May 2019 and May 2022.

Nationally numbers of rough sleepers may have plateaued, but they have not fallen dramatically because the policy drivers (welfare reform, low levels of house building, social housing shortage and low wages) remain unchanged.

The Worcester Cares City Homeless and Vulnerable People Forum has embedded in the City soft-infrastructure. The Steering Group now includes Worcester BID who provide a much-needed conduit to many of the City centre businesses who are in the front line of street homelessness and who want to help. The wider 'forum' provides the opportunity for other charities, members of church and faith groups or interested members of the public to understand what is being planned or undertaken. The forum is used as a sounding board for the consultation over the wider use of Public Space Protection Orders (PSPO). These may include, inter alia, street-based aggressive and passive begging.

There was unanimous agreement amongst all members of the Steering Group and a joint position was adopted that required help and support to be at the centre of every response, no demonization, and only when all other forms of help were exhausted to use the courts to enforce change.

The deaths of two rough sleepers in Malvern in October and December 2018 did not come as a surprise to many. Both deaths are pending an Adult Safeguarding Review by the Adult Safeguarding Board.

Internal work

The major piece of developmental work began last summer. The aim is to develop, for the first time, a strategy and a five-year business plan. Trustees, Leadership and Management Teams have been engaged in developing this with the intention of publishing in the summer of 2019. These two core documents will provide the framework for our services, priorities and practical actions over the next five years.

We have continued to refine and improve our Trauma Informed Care (TIC) approach and build upon our Psychologically Informed Environment (PIE). In January 2019 we presented our work to Health Nurses undertaking MSc at the University of Coventry and have recently hosted several visits from local organisations to inform them about our TIC and PIE approach.

Staff training has focused on the front-line skills that underpin a Trauma Informed Approach. Some examples include dealing with death, managing healthy relationships and Mediation and Negotiation skills. The Leadership Team has continued to expand its knowledge of brain biology and attachment theory.

The second substantial piece of work was to create our own Theory of Change and Impact Framework. This will improve coherence of our services and provide the way of demonstrating our impact. This work will be completed in the summer of 2019.

Police call out figures continued to fall in the year ending 2019 with a 23% fall in Police activity at the hostel site, from the previous year. The numbers of people asked to leave due to unmanageable behaviour, continued to fall to just five people. This is a 94% fall since 2011.

In the early New Year 2019 a review of the Management agreement with the newly merged Platform Housing (formerly Fortis) began. The work is expected to be completed in the summer of 2019.

St Paul's continued to have a positive local media profile. In April 2019 in partnership with Worcester Warriors Foundation and the national charity CEO Sleep Out we hosted over 80 people at the Warrior's Sixways stadium. This raised nearly £26,000 for the two charities. There are plans to run another event in 2020.



Claire Bridges - Chair

Date 14th November 2019

Trustees' Annual Report for the year ended 31 March 2019

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st March 2019. The trustees have adopted the provisions of 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).

Structure

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The organisation is a charitable company limited by guarantee incorporated on 12 January 1995. The company was established under a Memorandum of Association which defines the company's objects and is governed under its Articles of Association. In the event of the company being wound up the members are required to contribute an amount not exceeding £1.

St Paul's Hostel was an unincorporated charity prior to incorporation, whose activities began in 1977. The objects of the unincorporated body were broadly similar to the current charity.

Governance and Management

St Paul's Hostel has a Council of Trustees which meets on a regular basis. In 2018/2019 it met six times to develop strategy and policies for the organisation to fulfil its objects. In addition to the members of the Council of Trustees, the Chief Executive and Finance Manager attend Council meetings. A General Purposes and Finance Sub-Committee was established in October 2012 to enable more detailed discussion on strategy and the financial figures outside of the full Trustees meetings. There were six meetings in the period.

The Trustees delegate the responsibility for the day to day operation of the charity to Management staff led by the Chief Executive. In addition to the full and part time staff, the charity also uses volunteer workers whose value cannot be measured in terms of cost. The volunteers are under the supervision of the Skills Development and Community Engagement Manager who coordinates volunteers and their continued support is invaluable.

At the present time, the staff consists of:

- | | |
|---|-----------|
| • 1 Chief Executive | St Paul's |
| • 1 Housing Services Manager | St Paul's |
| • 1 Trauma Informed Practice Manager | St Paul's |
| • 2 Senior Housing Support Workers | St Paul's |
| • 4 Housing Support Workers (full and p/time) | St Paul's |
| • 2 Domestics (part time) | St Paul's |
| • Up to 7 Relief Workers (part time) | St Paul's |
| • 1 Administrator (part time) | St Paul's |
| • 1 Finance Officer (part time) | St Paul's |
| • 1 Finance Manager (part time) | St Paul's |

Projects and additional services

- 1 Chef and Catering Manager funded by Big Lottery
- 2 part time Kitchen Assistants funded by Big Lottery
- 1 Skills Development and Community Engagement Manager funded by the Big Lottery

In addition the staff are supported by up to 110 food servers, 1 driver and 1 life skills volunteer, who perform a variety of tasks. We held three volunteer training days with Maggs Day Centre, covering a range of subjects, to bring together respective Befriending services.

Recruitment and appointment of new trustees

The directors of the company are also the charity trustees for the purposes of charity law and under the company's Articles are known as "Trustees". The Board of directors is referred to as the "Council of Trustees".

Every member currently contributes £1 and from the membership, is elected the Council of Trustees who in their turn, may appoint a Management Committee to organise the day to day running of the charity. The Council of Trustees in office during the year is shown on the previous page, together with the legal details of the charity.

The Chair may hold office for a period of no longer than three years and then must retire. The incumbent Chair cannot be re-elected. The Vice Chair may hold office for no longer than three years and similarly retire, but could stand for election as Chair. The secretary and one third of other Council members must retire at each Annual General Meeting but may offer themselves for re-election.

The Management Team is supported by the Finance and General Purposes sub-committee of Trustees who make recommendations to the Board of Trustees on finance, property, strategic planning and human resources matters and execute any delegated matter set by Trustees.

The Council of Trustees is aware of the specific needs of the charity's client group and the balance of expertise of existing trustees. Potential new Trustees are identified by the Trustees, often from the large pool of volunteers, and are invited to offer themselves for election to the Council.

Induction and training of new trustees

Most Trustees are already aware of the charity's work prior to their appointment and indeed the profile of the charity and its work is the primary motivation to volunteer. The Trustees have adopted a Trustee induction policy, which includes ensuring new Trustees are aware of their duties as charity trustees and company directors, as well as giving them an opportunity to get to know the charity, its projects and finances, by meetings with the Chair, Chief Executive and Finance Manager and by visits to the various projects. They have available up to date guidance on responsibilities for being a Trustee published by the Charity Commission.

Risk management

There is an up to date Risk Management Policy. Risks are identified, assessed and controlled with some High Probability and/or High Impact risks being elevated from the Leadership and Management Team to the Finance Sub-Committee, or the Board of Trustees. Monitoring procedures have been put in place to evaluate on a continuing basis, levels of risk exposure and to review at a Board (strategic) and Leadership and Management (operational) level.

Objectives and aims

The principal activity of the company, in the year under review, was that of providing direct access accommodation for the single homeless. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our objectives and activities and in planning our future activities. In particular the trustees consider how planned activities will contribute to the objectives and aims they have set.

The main objective of the charity is as follows: "to provide relief either generally or individually of persons in the Midlands who are suffering from homelessness, poverty or are in conditions of need, hardship or distress particularly but not exclusively by the provision of accommodation and related support services." From this we have crafted our vision that everyone has a place where they belong and our mission is to help people live through homelessness.

Our values are:

- a. Respect for others. We will always treat people in the way we would want to be treated ourselves.
- b. People can change. With encouragement, perseverance and through appropriate relationships, people can change.
- c. Fairness. We will treat everyone in our services fairly. This means we will do our very best to get everyone what they need. Being fair does not mean everyone will always get the same things, as it depends on a person's assessed need.
- d. Self-help. Individual responsibility for change is important, if change is to occur.
- e. Knowing our limits. We know what we are good at and what we are not. There are limits to the help we can offer and where we cannot help, we always explain why.

- f. The Community. The individual is important but we have a bias towards the well-being of the community.
- g. A strength-based approach. In helping people we take into account what a person has and what they can do, rather than what they do not have and what they cannot do.

Achievements and Performance

Summary of main achievements;

- a. The hostel accommodation has helped over 150 people this year. Hostel occupancy levels have remained at the same level as the previous year. This has made a difference with the prevention of street homelessness, with benefit to the public in Worcestershire and Worcester City.
- b. Provision of Cognitive Behavioural Therapy (CBT) counselling to over 55 people. Access to the counselling does not require a referral to NHS and the average waiting time is under 7 days.
- c. Four residents have taken part in our kitchen assistant scheme.
- d. Held First Public Engagement Event for 80 guests.
- e. The establishment of a Worcester City Homeless Forum
- f. Raising public awareness of homelessness through Community Action and Community Engagement events and dialogue with County Council Public Health. This year we have met over 275 people at our events.
- g. Over twenty beneficiaries engaging in Creative Group activities such as poetry, arts, or music based activities including a photography exhibition at The Hive.

How our activities deliver public benefit

The main areas of activity and those we try to help are described below. Also, we aid people who find themselves needing help to alleviate drug or alcohol addiction, often closely related to rough sleeping or homelessness.

The capabilities we have to meet these objectives include safe and secure accommodation, individual and group counselling, life skills training, job coaching and training.

St Paul's Hostel

St Paul's Hostel is central to our service. It has facilities for 46 people plus two self-contained resettlement flats on the same site. The Hostel is open 24 hours a day and provides accommodation, mostly single rooms, nutritious food and tenancy support. The Project Workers (often called Support Workers) undertake tasks to help people manage their accommodation and build self-efficacy in order to establish themselves as able to live an inter-dependent life.

St Paul's Resettlement Service

St Paul's own 2 properties and rent 2 Houses of Multiple Occupation (HMO) that are known as resettlement properties. These 18 beds provide the next step from the hostel, using the Housing Ready philosophy. From this stage, staff offer Housing Management services to help a person retain the tenancy, building resilience and self-efficacy.

St Paul's Tree of Life Project

Life skills services are available to people who need help with numeracy, literacy and digital skills. Creative writing and poetry are also offered. These are now incorporated within the Big Lottery funded Tree of Life project. Additional small sums, by public donations or small grants from Public Service or Trust Funds enhance the services on offer.

The Tree of Life Big Lottery Project funds a full time Skills Development and Community Engagement Manager who sources and delivers these skills. The Creative Group (it can be considered a 'homeless survivors group') has continued to strengthen links with the Canal and River Trust, undertaken litter picks along the local canal and hosted photography and poetry evenings. The project also includes the training and development of beneficiaries to become Kitchen Assistants as a way out of homelessness and into work.

St Paul's Counselling Service

The in-house CBT counselling service provides almost immediate access to an accredited counsellor for crisis intervention or therapy. The Big Lottery now funds 22 hours per week, resulting in over 1000 hours of availability. Service utilization is above 93% and we have further reduced the waiting time for appointments.

Financial Review

An increase in the level of donations and further cost savings have resulted in a welcome surplus this year. The key financial risk for the next financial year is the end of the three year Big Lottery Funding which finishes in Dec 19. We are currently working on strategies to reduce this funding gap.

Plans for future periods

Our future plans will focus on:

- Creating a work force of people who have the right skills, competencies and attitude of mind to work in a Trauma Informed way.
- Deliver Trauma-Informed services that meet the needs of the homeless person and prevent the need to re-access homeless services in the future.
- Change public attitudes towards homelessness at the local and regional level, so that the public want change and homelessness is less likely.
- Have sustainable income and a capital investment programme, so we can help homeless people until homelessness is ended.

Reserves policy

The Trustees have reviewed the charity's needs for reserves in accordance with the guidance issued by the Charity Commission and have taken into account the desirability of holding sufficient funds to meet unexpected disruption of the income flow. The level of 'free reserves' (excluding designated funds and revaluation reserves) is £667,219 (£614,556).

It is very likely that circa £200K will be required from the reserves to fund essential future capital expenditure projects over the next 18 months. There is also currently a funding gap from April 19 onwards, which may need to be partly financed by reserves, until a permanent funding solution has been found.

On this basis, The Trustees consider that the reserves are at a realistic level to ensure the effective and efficient running of the charity.

Related Parties

None of our trustees receive remuneration or any benefit from their work with the charity. Any connection between a trustee or senior management of the charity with any grant providers, customers, suppliers or beneficiaries must be disclosed to the board of trustees.

The trustees and management also aim to maintain and develop sustainable relationships with local authorities and other charities/organisations as required.

Trustees' responsibilities

The trustees (who are also directors of St Paul's Hostel for the purposes of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

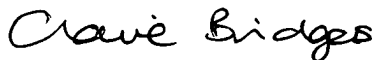
Company law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102)
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

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

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

Approved by Board of Trustees on 14th November 2019



Claire Bridges - Chair

Independent Examiner's report to the Trustees of St Paul's Hostel

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 March 2019, which are set out on pages 11 to 23.

Responsibilities and basis of report

As the charity trustees of the company (and its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

Independent examiner's statement

Since the company's gross income exceeded £250,000 your examiner must be a member of a body listed in section 145 of the 2011 Act. I confirm that I am qualified to undertake the examination because I am a member of the Association of Chartered Certified Accountants, which is one of the listed bodies.

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Richard Dunkley FCCA CTA
RD Accounting Limited
Chartered Certified Accountants
109A Windmill Hill
Halesowen
B63 2BY

Date 27/11/2019

Statement of Financial Activities (including summary income and expenditure account) for the year ended 31 March 2019

		Unrestricted funds	Restricted funds	2019 Total funds	2018 Total funds
	Notes	£	£	£	£
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	66,207	25,750	91,957	51,485
Charitable activities	4	626,451	153,228	779,679	831,649
Investment income	3	<u>13,727</u>	<u>-</u>	<u>13,727</u>	<u>13,272</u>
Total income		706,385	178,978	885,363	896,406
EXPENDITURE ON					
Direct charitable activities	5	512,683	168,693	681,376	748,644
Central overhead costs	6	<u>141,039</u>	<u>15,217</u>	<u>156,256</u>	<u>150,568</u>
Total expenditure		653,722	183,910	837,632	899,212
Net income/(expenditure)		52,663	(4,932)	47,731	(2,806)
Transfers between funds	21	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net incoming/(outgoing) for the year before other recognised gains and losses		52,663	(4,932)	47,731	(2,806)
Gains/(losses) on revaluation of investments	14	<u>29,483</u>	<u>-</u>	<u>29,483</u>	<u>6,550</u>
Net movement in funds		82,146	(4,932)	77,214	3,744
RECONCILIATION OF FUNDS					
Total funds brought forward	19	842,302	29,719	872,021	868,277
TOTAL FUNDS CARRIED FORWARD		<u>924,448</u>	<u>24,787</u>	<u>949,235</u>	<u>872,021</u>

Company registration number: 03009035

Balance Sheet as at 31 March 2019

		Unrestricted funds £	Restricted funds £	2019 Total funds £	2018 Total funds £
	Notes				
FIXED ASSETS					
Tangible assets	10	37,965	-	37,965	23,077
Social investments	11	290,000	-	290,000	290,000
Investments		-	-	-	1
		327,965	-	327,965	313,078
CURRENT ASSETS					
Debtors	12	18,995	-	18,995	34,096
Investments	13	403,109	-	403,109	373,627
Cash at bank and in hand		231,733	45,787	277,520	218,688
		653,837	45,787	699,624	626,411
CREDITORS					
Amounts falling due within one year	14	57,354	21,000	78,354	(67,468)
NET CURRENT ASSETS		596,483	24,787	621,270	558,943
TOTAL ASSETS LESS CURRENT LIABILITIES		924,448	24,787	949,235	872,021
NET ASSETS		924,448	24,787	949,235	872,021
FUNDS	18				
Unrestricted funds				712,219	659,556
Revaluation reserve				212,229	182,746
Restricted funds				24,787	29,719
TOTAL FUNDS				949,235	872,021

For the year ending 31 March 2019 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies.

The financial statements were approved by the Board of Trustees on 14th November 2019 and were signed on its behalf by:

Craig Bridges

C Bridges - Chair

Statement of Cash Flows for the year ended 31 March 2019

	2019	2018
	£	£
Net income / (expenditure) for year	47,731	(2,806)
Dividends receivable	(13,596)	(13,217)
Interest receivable	(131)	(55)
Depreciation and impairment of tangible fixed assets	11,064	10,800
(Increase) / decrease in debtors	15,101	6,645
Increase / (decrease) in creditors	10,886	15,350
Net cash flow from operating activities	71,055	16,717
Cash flow from investing activities		
Payments to acquire tangible fixed assets	(25,950)	(13,385)
Interest received	131	55
Dividends received	13,596	13,217
Net cash flow from investing activities	(12,223)	(113)
Net increase / (decrease) in cash and cash equivalents	58,832	16,604
Cash and cash equivalents at the beginning of the reporting period	218,688	202,084
Cash and cash equivalents at the beginning of the reporting period	277,520	218,688

**Notes forming part of the financial statements
for the year ended 31 March 2019**

1 Accounting policies

(a) Basis of preparation

The financial statements of the charitable private company (incorporated in England and Wales), which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are prepared in sterling which is the functional currency of the charity and rounded to the nearest £1.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

(b) Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements. Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

The charity does not currently have any endowment funds.

(c) Incoming resources

All incoming resources are included in the Statement of Financial Activities (SoFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Rental income in respect of the hostel and resettlement housing is included on an accruals basis in the period to which it relates.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing.

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Income from government and other grants are recognised at fair value, when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met, then these amounts are deferred.

(d) Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. Where costs cannot be directly attributed to particular headings they are included in central overhead (support) costs. These include project management, finance, administration and general office overheads.

(e) **Investments**

Investments are stated at market value at the balance sheet date. The SOFA includes the net gains and losses arising on revaluations and disposals throughout the year. Current asset investments are short term highly liquid investments and are held at fair value. These include cash on deposit and cash equivalents with a maturity of less than one year.

(f) **Pension costs**

The charitable company operates a defined contribution scheme for the benefit of its employees. The costs of contributions are recognised as an expense in the period to which they relate.

(g) **Tangible fixed assets and depreciation**

Tangible fixed assets costing more than £1,000 are capitalised and included at cost including any incidental expenses of acquisition.

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost on a straight-line basis over their expected useful economic lives as follows:

Freehold property	nil
Fixtures and fittings	over 4 to 5 years
Motor vehicles	25% on reducing balance

(h) **Finance and operating leases**

Rentals applicable to operating leases are charged to the SOFA over the period in which the cost is incurred. No assets are currently held under finance leases.

(i) **Going Concern**

The financial statements have been prepared on a going concern basis as the trustees believe that no material uncertainties exist. The trustees have considered the level of funds held and the expected level of income and expenditure for 12 months from authorising these financial statements. The budgeted income and expenditure is sufficient with the level of reserves for the charity to be able to continue as a going concern.

(j) **Tax**

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

(k) **Debtors and creditors receivable / payable within one year**

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

(l) **Programme related social investments**

St Paul's owns two freehold properties, which are used as resettlement housing and thus specifically contribute to the charity's charitable purposes. These properties are held at market value provided this amount can be measured reliably otherwise they are measured at cost less any provision for diminution in value.

(m) **Donated Goods, Services and Facilities**

Donated professional services and donated facilities are recognised as income when the charity has control over the item, any conditions associated with the donated item 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), the general volunteer time is not recognised (refer to the trustees' annual report for more information about their contribution).

On receipt, donated 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.

The charity currently pays a management charge to Fortis Living for the use of the hostel which amounts to £35,246 per annum. Given the unique nature of the property and its purposes a market rental can not be measured accurately and therefore there are no donated facilities transactions recognised in respect of this facility.

2 Income from donations and legacies

	2019 £	2018 £
Gifts and donations (see note 22)	66,207	35,623
Legacies	-	5,941
Gift Aid from trading subsidiary	-	3,671
Grants	<u>25,750</u>	<u>6,250</u>
	<u>91,957</u>	<u>51,485</u>

Grants received, included in the above, are as follows:

	2019 £	2018 £
Eveson Trust	<u>25,750</u>	<u>6,250</u>
	<u>25,750</u>	<u>6,250</u>

3 Investment income

	2019 £	2018 £
Dividends received	13,596	13,217
Deposit account interest	<u>131</u>	<u>55</u>
	<u>13,727</u>	<u>13,272</u>

4 Incoming Resources from Charitable Activities

	2019 £	2018 £
Housing Benefit Rent	525,073	524,651
Private Rent	99,218	97,226
Local Authority Grants & Service Contracts	2,368	33,061
Big Lottery Grants	135,000	142,176
Vestia Community Trust (Fusion)	15,860	32,345
Sundry Income	<u>2,160</u>	<u>2,190</u>
	<u>779,679</u>	<u>831,649</u>

The Big Lottery Fund granted St Paul's Hostel £379,085 over three years commencing 1 January 2017. The income has not been recognised in full due to the performance related conditions attached.

5 Direct expenditure on charitable activities

	2019	2018
	£	£
Hostel & Resettlement costs		
Salaries, NI & Pension	360,526	335,810
Rents	77,662	76,338
Utilities	51,787	58,557
Repairs & Renewals	17,274	20,999
Insurances	12,238	11,634
Telephone	4,463	3,432
Food Costs	43,099	46,367
Client Welfare	9,503	12,122
Counselling Costs	38,432	31,783
Cleaning Consumables	15,922	16,168
Other Costs	1,908	1,925
Bad Debt Provision	14,535	40,524
	<u>647,349</u>	<u>655,659</u>
Project costs		
Salaries, NI & Pension	17,124	51,563
Admin Costs	106	353
Travel	166	1,908
I.T. Costs	-	711
Direct Project Costs	11,602	34,693
Client Welfare	5,014	3,605
Other Costs	15	152
	<u>34,027</u>	<u>92,985</u>
Total direct expenditure on charitable activities	<u>681,376</u>	<u>748,644</u>

6 Central overhead / support costs

	2019	2018
	£	£
Salaries, NI & Pension	89,527	88,515
Office Costs	12,811	13,231
IT Costs	11,587	10,348
Legal, Consultancy & Professional fees	4,668	4,270
Subscriptions	3,452	2,400
Independent Exam and Accountancy fees	3,871	634
Staff Training/Welfare	17,955	19,416
Staff Recruitment	175	210
Bank Charges	1,146	744
Depreciation & (profit)/loss on disposal of assets	11,064	10,800
	<u>156,256</u>	<u>150,568</u>

7 Net Incoming/(outgoing) resources

Net resources are stated after charging/(crediting):

	2019 £	2018 £
Independent Examiner's fee	623	500
Fees for Accountancy Services	781	625
Estimated over provision of Auditors remuneration accrual	-	-
Depreciation - owned assets	11,064	10,800
Operating leases for property	77,662	76,338
Operating leases for equipment	<u>7,340</u>	<u>7,340</u>

8 Trustees remuneration and expenses

There were no trustees' remuneration or other benefits for the year ended 31st March 2019 nor for the year ended 31st March 2018.

There were no trustees' expenses paid for the year ended 31 March 2019 (2018: NIL).

9 Staff costs

	2019 £	2018 £
Wages and salaries	429,378	442,800
Employers National Insurance	31,263	31,046
Defined contribution pension costs	<u>5,623</u>	<u>6,299</u>
	<u>466,264</u>	<u>480,145</u>

The average monthly number of employees during the year was 25 (2018: 29). The average number of full time equivalent employee was estimated to be 16 (2018: 18)

No employees received emoluments in excess of £60,000 during the year (excluding employer's pension contributions).

Total remuneration paid to key management personnel was £81,915 (2018: £80,484) during the year (excluding employers pension contributions).

The charity contributes to individual pension schemes, which are defined contribution pension schemes, and the amounts charged to the income and expenditure accounts for the year are as stated above.

Total redundancy / termination payments amounted to £NIL (2018: £Nil).

10 Tangible Fixed Assets

	Fixtures and fittings £	Motor vehicles £	Totals £
COST			
At 1st April 2018	173,187	11,750	184,937
Additions	25,951	-	25,951
Disposals	(6,180)	-	(6,180)
At 31st March 2019	<u>192,958</u>	<u>11,750</u>	<u>204,708</u>
DEPRECIATION			
At 1st April 2018	150,773	11,086	161,859
Charge for year	10,898	166	11,064
Eliminated on disposal	(6,180)	-	(6,180)
At 31st March 2019	<u>155,491</u>	<u>11,252</u>	<u>166,743</u>
NET BOOK VALUE			
At 31st March 2018	<u>22,414</u>	<u>664</u>	<u>23,077</u>
At 31st March 2019	<u>37,467</u>	<u>498</u>	<u>37,965</u>

11 Social Investments – programme related

	Freehold Property £	Totals £
COST OR VALUATION		
At 1st April 2018	290,000	290,000
Additions	-	-
Revaluations	-	-
Disposals	-	-
At 31st March 2019	<u>290,000</u>	<u>290,000</u>

A freehold property with an original cost of £40,880 was revalued to £150,000 on 31 March 2013 by the trustees following an offer from a third party to purchase the property.

12 Debtors: Amounts falling due within one year

	2019 £	2018 £
Trade debtors	14,171	13,008
Amounts owed by group undertakings	-	3,671
Other debtors	-	-
Prepayments and accrued income	<u>4,824</u>	<u>17,417</u>
	<u>18,995</u>	<u>34,096</u>

13 Current asset investments

	2019 £	2018 £
COIF Charities Investment Fund	<u>403,109</u>	<u>373,626</u>

The movement in the year of £29,483 is in relation to changes in market value, there were no disposals in the year. The original cost of the investment was £300,000.

14 Creditors: amounts falling due within one year

	2019 £	2018 £
Trade Creditors	27,194	29,895
Accruals	8,336	7,230
Deferred Income (see following note)	30,624	18,750
Social Security & other taxes	8,496	8,618
Other creditors	3,704	2,975
	<u>78,354</u>	<u>67,468</u>

15 Deferred incoming resources

Incoming resources are deferred in accordance with section 5.24 of the Statement of Recommended Practice (FRS102) whereby income is subject to performance-related condition.

	2018 £	Received during the year £	Released to revenue £	2019 £
Eveson Charitable Trust – Support Worker	18,750	28,000	25,750	21,000
Big Sleep Out (held April 2019)	-	9,624	-	9,624
	<u>18,750</u>	<u>37,624</u>	<u>25,750</u>	<u>30,624</u>

16 Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2019 £	2017 £
Not later than one year	29,240	29,240
Later than one and not later than five years	69,061	92,132
Later than five years	2,298	8,467
	<u>100,600</u>	<u>129,839</u>

17 Related parties

Included within debtors is an amount totalling £NIL (2018: £3,671) owed from Re-Homed Prop-R-Te Limited, a 100% owned trading subsidiary of St Paul's Hostel which ceased to trade last year.

Sales to St Paul's Hostel totalled £NIL (2018: £2,730 + VAT)

Profits Gift Aided to St Paul's Hostel totalled £NIL (2018: £3,671).

18 Movement in funds

	<u>At 1.4.18</u>	<u>Incoming resources</u>	<u>Resources expenses</u>	<u>Gains and losses</u>	<u>At 31.3.19</u>
Unrestricted funds					
General fund	614,556	706,385	(653,722)	-	667,219
Infrastructure fund	45,000	-	-	-	45,000
Revaluation reserve	182,746	-	-	29,483	212,229
	842,302	706,385	(653,722)	29,483	924,448
Restricted funds					
Personalisation fund	11,242	-	(5,014)	-	6,228
Discharge Homeless	-	2,368	(2,368)	-	-
Big Lottery Fund	18,477	135,000	(134,918)	-	18,559
Lottery – Fusion	-	15,860	(15,860)	-	-
Eveson Trust – Support Worker	-	25,750	(25,750)	-	-
	29,719	178,978	(183,910)	-	24,787
Total funds	872,021	885,363	(837,632)	29,483	949,235

19 Purpose of funds

Infrastructure fund

Improvements to the fabric of the buildings. The trust expect that some repairs and maintenance will be spent on owned resettlement housing during 2019/20.

Personalisation fund

Ad hoc and essential purchases of services or products that help people to develop self-efficacy. For example, train tickets to re-connect with relatives, or activities to build self-confidence.

Big Lottery Fund

These funds are designated to the delivery of the agreed project outcomes as below:

- Outcome 1: A more tolerant community, because we have explained the causes and effects of homelessness and single homeless will feel less stigmatized.
- Outcome 2: Single homeless improve their numeracy, literacy and digital skills through attending the skill development activities in the project.
- Outcome 3: There will be an improvement in the self-esteem and self-confidence of single homelessness people who use the project.
- Outcome 4: Single homeless will improve their employment opportunities by using the project to improve their motivation and work readiness.

Eveson Trust – Support Worker

A grant of £25K was received from Eveson Trust to finance the role of Trauma Informed Practice Manager for 12 months, to better reflect our shift towards a trauma informed ethos.

20 Material transfers between funds

No transfers between funds have been made this year.

21 Donations and gifts

Donations & Legacies Over £250

	2019	2018
A Graham	1,500	
Barbara Mitra	-	360
Barclays re J McCabe	1,000	1,000
Bayliss (Gloucester) Ltd	-	340
Big Sleepout - Debra Morris	309	-
Bromyard Rd Methodist Church	300	300
CA4 Limited	-	3,000
CEO Big Sleep Out	12,893	-
Church of St Martins with St Peter	1,097	600
Clay & Associates Ltd	-	500
David Mead	289	-
Donation from funeral of Mr Ray Mace	1,077	-
E J Gummery	257	-
Earlby Property Investment & Consultancy	-	2,700
Faithful City Morris Men	-	250
Fine & Country Homes	700	-
G L Richardson	250	-
G Lowman	344	494
Girls & Boys Brigade	1,000	-
Head Turner Search	311	-
Hedley Foundation	-	2,000
ISO Quality Services	388	-
James William Creese legacy	-	5,941
Lesley Cleaver in memory of Mark Dean	4,000	-
Mark Dean's Family Trust	1,000	-
McCabe & Owens in memory of John McCabe	1,041	1,218
Mr & Mrs Drew (Diana & John)	-	700

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Mr & Mrs Grotefeld	261	343
Mr & Mrs Hayes	-	300
Mr & Mrs Seyler	290	290
Openbox Foundation	10,000	-
Paul Hudson	488	-
Pauline Thorpe	250	-
Pauline Whittaker	281	-
PCC of Kempsey	646	-
PCC of St Barnabas with Christchurch	-	300
PCC of St Martin in the Cornmarket	280	-
Persimmon Homes	500	-
Provincial Grand Lodge of Worcestershire	-	500
Ratcliff Foundation	1,500	-
Rodway Family Charitable Trust	500	500
Sean Wrafter	1,031	-
Six Masters' Charities	2,500	3,000
Springmasters Ltd	1,000	1,000
St Nicholas Church Worcs	275	-
St Peter's Baptist Church	1,000	-
Worc Music Festival to Creative Group	4,110	-
Worcester Beer, Cider & Perry Festival	-	500
Worcester Cathedral	-	3,603
Worcester Racecourse Collection	305	344
Worcester Warriors Collection	-	559
Worcs City Parish Relief in Need	400	750
Total Donations £250 and above	53,371	31,392
Anonymous Donations over £250	2,550	1,105
Anonymous, sundry smaller & personal donations	9,392	8,376
Gift Aid	894	665
Total Donations	66,208	41,538