

SOLO HOUSING (EAST ANGLIA)  
(A COMPANY LIMITED BY GUARANTEE)

(Company Number 3266905)  
(Charity Number 1068017)

DIRECTORS' REPORT  
AND  
FINANCIAL STATEMENTS

For the year ended 31 March 2004



SOLO HOUSING (EAST ANGLIA)  
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

For the year ended 31 March 2004

I N D E X

	<u>Page No.</u>
DIRECTORS' REPORT	1 - 3
INDEPENDENT AUDITORS' REPORT TO THE MEMBERS	4
STATEMENT OF FINANCIAL ACTIVITIES	5 - 10
BALANCE SHEET	11
NOTES TO THE ACCOUNTS	12 - 15

-----

**Registered Office:** 12A St. Nicholas Street, Diss, Norfolk. IP22 3LB

**Auditors:** Ensors, Radford House, 54 St. Johns Street, Bury St. Edmunds,  
Suffolk. IP33 1SP

**Bankers:** Lloyds TSB Bank plc., 3 Market Hill, Diss, Norfolk. IP22 3JZ

## REPORT OF THE DIRECTORS

The Directors submit their Annual Report and Financial Statements for the year ended 31 March 2004.

## PRINCIPAL ACTIVITIES

The principal activities of the Company are to relieve need, hardship and distress amongst persons who are homeless and single, and amongst persons who are without accommodation in East Anglia.

## DIRECTORS' RESPONSIBILITIES

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

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Comply with applicable accounting standards subject to any material departures disclosed and explained in the Financial Statements; and
- Prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company, and to enable them to ensure that the Financial Statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Company, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## REVIEW OF ACTIVITIES AND FUTURE DEVELOPMENTS

During the course of the year a number of key activities took place.

The influx of Supporting People funds to the organisation has allowed Solo Housing to operate with a relatively stable funding stream and hence provide services at an appropriate level to service users with a wide range of need. A new Assessment and Support Management System was introduced for supported housing service users to enable a comprehensive system of support to be provided, based on the needs of service users. A new Health and Safety Manual was introduced together with other policies and procedures.

Grants from Babergh, Broadland and South Norfolk Councils together with Section 180 funds enabled the Homelessness Prevention team to continue their work successfully. During the course of the year 44 new landlords were added to the register, 454 people were referred and 63 were placed.

REPORT OF THE DIRECTORS (Continued)

Significant changes took place in personnel at Solo. The former Chief Executive left Solo in April 2003 and a new Chief Executive started in December. The organisation was led by Barbara Lipinski during this period with additional input from the Executive Committee and other staff. The Directors wish to express their thanks to all concerned and particularly to Barbara during this period of change.

The additional resources from Supporting People has enabled the organisation's schemes to be staffed at an appropriate level, with expansion of the teams in Suffolk, at Victoria House and in the visiting support services in Norfolk.

In December Solo had its Investors in People accreditation reviewed. An action plan was produced to enable the organisation to retain recognition as an approved IIP organisation pending further review and the organisation is now fully IIP accredited.

During the year, work was undertaken to improve the organisation's financial accounting systems and this was completed ready for the start of the new financial year. New delegated authorities and standing orders were approved by the Executive Committee. Work on a new Purchase Ordering system was started and this is now operational.

In February staff and Members of the Executive Committee met to discuss the strategic direction of the organisation. The information from this was used to formulate the organisation's three year Strategic Plan, which will be incorporated in the Business plan.

Solo's Homelessness Prevention Services are strategically relevant within the Councils' where we operate. Other Councils have expressed interest in the service and we are hopeful that this will develop into a working relationship.

Along with other providers funded under Supporting People, Solo is undergoing review by the Area Authorities. The reduction in overall grant levels from central Government to the Area Authorities is placing all providers under cost pressures and Solo is unlikely to escape without some reductions in funding. We need to ensure that we can operate in these leaner times by ensuring that we operate as efficiently as possible. Once we demonstrate the quality of our work and its strategic relevance there may be opportunities for expansion under Supporting People.

RESERVES

All surpluses generated by the Company have been transferred to reserves. It is Solo Housing's policy to maintain unrestricted reserves sufficient to sustain three month's running costs. As at 31 March 2004 this was achieved. The Executive Committee will monitor the level of reserves during the year to ensure that this position is maintained.

REPORT OF THE DIRECTORS (Continued)

INVESTMENTS

It is Solo Housing's policy to ensure that all funds are in interest bearing low risk accounts. It will endeavour to secure interest revenue that meets budgetary expectations.

RISK ASSESSMENT

At its meeting in May 2004, the Executive Committee considered a full risk review of the organisation, which included a Risk Management Plan and Risk Map. The key risks to the organisation are addressed in organisation's Annual Management Plan. The Executive Committee monitors compliance against this plan throughout the year.

DIRECTORS

The Directors during the year were as follows:-

M. Black	
D. Clarke	
G. Brown	
J. Dell	
Rev. D. Streeter	(Appointed 15/1/04)
S. Newberry	(Appointed 14/1/04)
A. Hedges	(Resigned 31/8/03)

AUDITORS

A Resolution to reappoint Messrs. Ensors as Auditors will be put to the Annual General Meeting.

The Report of the Directors has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

Approved by the Board on  
11 November 2004  
and signed on its behalf by



.....  
D. Clarke - Director

REPORT OF THE AUDITORS TO THE MEMBERS OF  
SOLO HOUSING (EAST ANGLIA)  
(A COMPANY LIMITED BY GUARANTEE)

**Independent Auditors' Report to the Members of Solo Housing (East Anglia)**

We have audited the Financial Statements of Solo Housing (East Anglia) for the year ended 31 March 2004 which comprise of Statement of Financial Activities and a Balance Sheet and the related Notes. These Financial Statements have been prepared under the historical cost convention and the accounting policies set out therein.

This Report is made solely to the Directors, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the Directors those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Directors as a body, for our audit work, for this Report, or for the opinions we have formed.

**Respective Responsibilities of Directors and Auditors**

As described in the Statement of Directors' Responsibilities, the Company's Directors are responsible for the preparation of the Financial Statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the Financial Statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the Financial Statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the Financial Statements, if the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Directors' remuneration and transactions with the Company is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it. Our responsibilities do not extend to any other information.

**Basis of Audit Opinion**

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to amounts and disclosures in the Financial Statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the Financial Statements, 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 Financial Statements 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 Financial Statements.

**Opinion**

In our opinion the Financial Statements give a true and fair view of the state of the Company's affairs at 31 March 2004, and of its surplus for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

  
ENSORS

Chartered Accountants

Registered Auditors

BURY ST. EDMUNDS

Date: 11 November 2004

**SOLO HOUSING (EAST ANGLIA)**  
**(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES**

For the year ended 31 March 2004

	<u>General</u> <u>(Unrestricted)</u>	<u>Housing</u> <u>Management</u> <u>(Designated)</u>	<u>Deposit</u> <u>Guarantee</u> <u>(Restricted)</u>	<u>Vision</u> <u>Appeal</u> <u>(Restricted)</u>	<u>2004</u> <u>(Total)</u>	<u>2003</u> <u>(Total)</u>
<b><u>Incoming Resources</u></b>						
<b><u>Charitable Activities</u></b>						
Grants Receivable and Housing Benefit	411,576	159,937	-	8,740	580,253	292,656
Rental Income	-	32,203	-	900	33,103	6,314
<b><u>Voluntary Income</u></b>						
Donations	80	-	-	-	80	2,168
<b><u>Other Income</u></b>						
Investment Income	1,300	237	-	10	1,547	318
Other Income	-	122	12	-	134	128
<b><u>Total Incoming Resources</u></b>	<b>412,956</b>	<b>192,499</b>	<b>12</b>	<b>9,650</b>	<b>615,117</b>	<b>301,584</b>
<b><u>Resources Expended</u></b>						
Direct Charitable Expenditure	276,667	173,548	6	-	450,221	264,473
Management and Admin	6,082	11,094	-	-	17,176	7,989
<b><u>Total Resources Expended</u></b>	<b>282,749</b>	<b>184,642</b>	<b>6</b>	<b>-</b>	<b>467,397</b>	<b>272,462</b>
<b><u>Net Incoming/Outgoing</u></b>						
Resources before Transfers	130,207	7,857	6	9,650	147,720	29,122
Transfers between Funds	-	-	-	-	-	-
<b><u>Net Incoming/Outgoing</u></b>						
Resources after Transfers	130,207	7,857	6	9,650	147,720	29,122
Fund Balance B/Fwd.	-	42,211	9,232	85,727	137,170	108,048
<b><u>Funds at 31 March 2004</u></b>	<b>£130,207</b>	<b>£50,068</b>	<b>£9,238</b>	<b>£95,377</b>	<b>£284,890</b>	<b>£137,170</b>

SOLO HOUSING (EAST ANGLIA)  
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (Continued)

For the year ended 31 March 2004

The Company's income and expenses all relate to continuing operations.

The Company has no recognised gains and losses other than the surplus for the year.

The operating surplus and the retained surplus have been calculated on the historical cost basis.

The Notes on pages 12 to 15 form part of these Financial Statements.



SOLO HOUSING (EAST ANGLIA)  
(A COMPANY LIMITED BY GUARANTEE)

GENERAL FUND

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 March 2004

	<u>Note</u>	<u>31/03/04</u>	<u>31/03/03</u>
<u>INCOMING RESOURCES</u>			
Grants Receivable	3	411,576	89,446
Investment Income		1,300	284
Other Income		-	128
Donations		80	2,168
		-----	-----
		412,956	92,026
		-----	-----
<u>RESOURCES EXPENDED</u>			
Direct Charitable Expenditure		276,667	87,194
Management and Administration		6,082	7,989
		-----	-----
	4	282,749	95,183
		-----	-----
<u>NET OUTGOING RESOURCES FOR THE YEAR</u>		130,207	(3,157)
Transfer from Housing Management Fund		-	25,433
Fund Balance Brought Forward		-	(22,276)
		-----	-----
<u>FUND BALANCE CARRIED FORWARD AT 31 MARCH 2004</u>		£130,207	£ -
		=====	=====

The Company's income and expenses all relate to continuing operations.

The Company has no recognised gains and losses other than the deficit for the year.

The operating deficit and the retained surplus have been calculated on the historical cost basis.

The Notes on pages 12 to 15 form part of these Financial Statements.

SOLO HOUSING (EAST ANGLIA)  
(A COMPANY LIMITED BY GUARANTEE)

HOUSING MANAGEMENT ACCOUNT

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 March 2004

	<u>31/03/04</u>	<u>31/03/03</u>
<u>INCOMING RESOURCES</u>		
Council Grants/Housing Benefit	159,937	196,131
Rental Income	32,203	6,151
Bank Interest	237	29
Other Income	122	-
	<u>192,499</u>	<u>202,311</u>
<u>DIRECT CHARITABLE EXPENDITURE</u>		
Rent Paid	117,548	77,944
Water, Insurance, Electricity and Rates	10,965	10,170
Maintenance, Repairs and Furniture	31,100	19,611
Travel - Staff Expenses	4,695	3,231
Professional Fees	1,402	3,287
Wages and Salaries	10,220	39,780
Employer's NIC	874	3,334
Management Consultancy	-	7,219
Office Costs	4,551	8,076
Sundries	1,794	2,570
Depreciation	1,493	146
	<u>184,642</u>	<u>175,368</u>
<u>NET MOVEMENT IN FUNDS</u>	7,857	26,943
Transfer to General Fund	-	(25,433)
Fund Balance Brought Forward	42,211	40,701
	<u>42,211</u>	<u>40,701</u>
<u>FUND BALANCE CARRIED FORWARD AT 31 MARCH 2004</u>	£50,068	£42,211
	=====	=====

The Company's income and expenses all relate to continuing operations.

The Company has no recognised gains and losses other than the surplus for the year.

The operating surplus and the retained surplus have been calculated on the historical cost basis.

The Notes on pages 12 to 15 form part of these Financial Statements.

SOLO HOUSING (EAST ANGLIA)  
(A COMPANY LIMITED BY GUARANTEE)

DEPOSIT GUARANTEE FUND

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 March 2004

	<u>31/03/04</u>	<u>31/03/03</u>
<u>INCOMING RESOURCES</u>		
Deposits Received	12	163
	---	----
	12	163
	---	----
<u>RESOURCES EXPENDED</u>		
Direct Charitable Expenditure	6	261
Management and Administration	-	-
	--	----
	6	261
	--	----
<u>NET OUTGOING RESOURCES FOR THE YEAR</u>	6	(98)
Fund Balance Brought Forward	9,232	9,330
	-----	-----
<u>FUND BALANCE CARRIED FORWARD AT 31 MARCH 2004</u>	£9,238	£9,232
	=====	=====

The Company's income and expenses all relate to continuing operations.

The Company has no recognised gains and losses other than the deficit for the year.

The operating deficit and the retained surplus have been calculated on the historical cost basis.

The Notes on pages 12 to 15 form part of these Financial Statements.

SOLO HOUSING (EAST ANGLIA)  
(A COMPANY LIMITED BY GUARANTEE)

VISION APPEAL FUND

STATEMENT OF FINANCIAL ACTIVITIES

For the year ended 31 March 2004

	<u>Note</u>	<u>2004</u>	<u>2003</u>
<u>INCOMING RESOURCES</u>			
Housing Benefits/Rent Received		9,640	7,079
Bank Interest		10	5
		-----	-----
		9,650	7,084
		-----	-----
<u>RESOURCES EXPENDED</u>			
Direct Charitable Expenditure		-	1,650
Management and Administration		-	-
		-----	-----
		-	1,650
		-----	-----
<u>NET MOVEMENT IN FUNDS</u>		9,650	5,434
Fund Balance Brought Forward		85,727	80,293
		-----	-----
<u>FUND BALANCE CARRIED FORWARD AT 31 MARCH 2004</u>		£95,377	£85,727
		=====	=====

The Company's income and expenses all relate to continuing operations.

The Company has no recognised gains and losses other than the surplus for the year.

The operating surplus and the retained surplus have been calculated on the historical cost basis.

The Notes on pages 12 to 15 form part of these Financial Statements.

SOLO HOUSING (EAST ANGLIA)  
(A COMPANY LIMITED BY GUARANTEE)

BALANCE SHEET

As at 31 March 2004

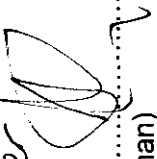
	<u>Note</u>	<u>General</u> <u>(Unrestricted)</u>	<u>Housing</u> <u>Management</u> <u>(Designated)</u>	<u>Deposit</u> <u>Guarantee</u> <u>(Restricted)</u>	<u>Vision</u> <u>Appeal</u> <u>(Restricted)</u>	<u>2004</u> <u>(Total)</u>	<u>2003</u> <u>(Total)</u>
<u>Fixed Assets</u>	5	19,437	16,012	-	68,495	103,944	86,750
<u>Current Assets</u>							
Cash at Bank and in Hand		144,149	30,378	9,238	26,882	210,647	28,799
Debtors	6	12,610	24,846	-	-	37,456	25,732
<u>Current Liabilities</u>		156,759	55,224	9,238	26,882	248,103	54,531
Accruals	7	45,989	21,168	-	-	67,157	4,111
<u>Net Current Assets</u>		110,770	34,056	9,238	26,882	180,946	50,420
<u>Net Assets</u>		£130,207	£50,068	£9,238	£95,377	£284,890	£137,170
		=====	=====	=====	=====	=====	=====

The Financial Statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Approved on behalf of the Committee  
11 November 2004



M. Black

  
D. Clark (Chairman)

The Notes on pages 12 to 15 form part of these Financial Statements.

SOLO HOUSING (EAST ANGLIA)  
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS

For the year ended 31 March 2004

1. CHARITABLE STATUS

The organisation was formerly an unincorporated registered charity. On 22 October 1996, the organisation changed its legal status and became a Company limited by guarantee, as well as a registered Charity.

At this date, the assets and liabilities were transferred to the new Company at book written down values.

2. ACCOUNTING POLICIES

Accounting Convention

The Financial Statements are prepared under the historical cost convention in accordance with the Statement of Recommended Practice published in October 2000, and the Financial Reporting Standard for Smaller Entities (effective June 2002).

Income

With the exception of grants, income is stated at the amount of cash received during the year. Grants are included on a receivable basis where the grant making body has agreed the grant for the year concerned.

Fixed Assets

Fixed Assets are included at cost, and are written off over their anticipated useful lives as follows:-

Equipment	- 10% on Written Down Value
Computer Equipment	- 25% on Cost

Freehold Properties

Freehold buildings are depreciated to write down the cost less estimated residual value over their remaining useful life by equal annual instalments. Where buildings are maintained to such a standard that their estimated residual value is not less than their cost or valuation, no depreciation is charged as it is not material.

Pension Costs

The Company operates a Defined Contribution Pension Scheme for employees. The assets of the Scheme are held separately from those of the Company. The annual contributions payable are charged to the SOFA as they fall due.

SOLO HOUSING (EAST ANGLIA)  
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS

For the year ended 31 March 2004

3. <u>GENERAL FUND GRANTS</u>	<u>2004</u>	<u>2003</u>
Office of the Deputy Prime Minister - Section 180	44,587	44,587
Broadland District Council	4,837	-
Babergh District Council	3,570	11,500
South Norfolk District Council	5,150	7,000
Norfolk County Council - Supporting People	224,609	-
Suffolk County Council - Supporting People	118,273	-
Mid Suffolk District Council	-	2,500
Forest Heath District Council	-	4,800
Smith Mount Trust	-	3,000
Colyer Ferguson	10,000	10,000
Housing Associations Charitable Trust	-	4,559
Other Grants	550	1,500
	-----	-----
	£411,576	£89,446
	=====	=====

4. DIRECT CHARITABLE EXPENDITURE

	<u>Gross Salary</u> <u>Costs</u>	<u>Employer's</u> <u>NIC</u>	<u>Office</u> <u>Costs</u>	<u>Depreciation</u>	<u>Other</u> <u>Costs</u>	<u>Total</u>
Direct Charitable Expenditure	194,180	16,604	41,410	4,026	20,447	276,667
Management and Administration	-	-	-	-	6,082	6,082
	-----	-----	-----	-----	-----	-----
	£194,180	£16,604	£41,410	£4,026	£26,529	£282,749
	=====	=====	=====	=====	=====	=====

SOLO HOUSING (EAST ANGLIA)  
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS

For the year ended 31 March 2004

5.	<u>FIXED ASSETS</u>	<u>Freehold Property</u>	<u>Babergh House Equipment</u>	<u>General Equipment</u>	<u>Total</u>
	<u>Cost</u>				
	At 31 March 2003	68,495	2,884	40,143	111,522
	Additions	1,992	-	20,720	22,712
		-----	-----	-----	-----
	At 31 March 2004	70,487	2,884	60,863	134,234
		-----	-----	-----	-----
	<u>Depreciation</u>				
	At 31 March 2003	-	1,574	23,198	24,772
	Charge for the period	-	131	5,387	5,518
		-----	-----	-----	-----
	At 31 March 2004	-	1,705	28,585	30,290
		-----	-----	-----	-----
	<u>Net Book Value</u>				
	At 31 March 2004	£70,487	£1,179	£32,278	£103,944
		=====	=====	=====	=====
	At 31 March 2003	£68,495	£1,310	£16,945	£86,750
		=====	=====	=====	=====
6.	<u>DEBTORS</u>			<u>2003</u>	<u>2002</u>
	Debtors			34,442	21,069
	Prepayments			3,014	4,663
				-----	-----
				£37,456	£25,732
				=====	=====
7.	<u>CREDITORS DUE IN LESS THAN ONE YEAR</u>			<u>2004</u>	<u>2003</u>
	Accruals			54,846	4,111
	Pension Contributions			12,311	-
				-----	-----
				£67,157	£4,111
				=====	=====
8.	<u>RESTRICTED FUNDS</u>	<u>Balance at 01/04/03</u>	<u>Incoming Resources</u>	<u>Expenditure/ Transfers In Year</u>	<u>Balance at 31/03/04</u>
	Deposit Guarantee	9,232	12	6	9,238
	Vision Appeal	85,727	9,650	-	95,377
		-----	-----	-----	-----
		£94,959	£9,662	£6	£104,615
		=====	=====	=	=====



SOLO HOUSING (EAST ANGLIA)  
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE ACCOUNTS

For the year ended 31 March 2004

8. RESTRICTED FUNDS (Continued)

The Deposit Guarantee Fund was set up to hold rents received in advance and deposits.

The Vision Appeal Fund was set up with the aim to replace grant income with revenue generated income from housing management and ownership. Thus in time reducing the reliance on grant income.

The Fund aims to produce high quality affordable single person housing. To achieve this Solo Housing have embarked upon a strategy of seeking ownership, leasing and partnership agreements, and are seeking registered Social Landlord Status.

DESIGNATED FUND

Housing Management	£42,211	£192,499	£184,642	£50,068
	=====	=====	=====	=====

The Housing Management Fund was set up for the activities of the housing provided by Solo Housing.

9. EMPLOYEES

The average weekly number of employees of the Company during the year (including part-time staff, but excluding Directors) was 11 (2003: 6).

10. TRUSTEES' REMUNERATION AND EXPENSES

A total of £273 (2003: £233) was reimbursed to a member of the Executive Committee in the year. These payments were for travel and office costs incurred.

11. AUDITORS' REMUNERATION

A total of £1,700 plus V.A.T. (2003: £1,350 plus VAT) was paid to Messrs. Ensors for the provision of audit services.

12. RELATED PARTY TRANSACTIONS

As required by FRS 8, we disclose the following transactions between the Company and related parties.

The former Chief Executive, Chris Hedges, who is the father of A. Hedges, a Director, rented a property from Solo Housing (East Anglia) Limited for 3 months of the year at £300 per month.

All such transactions are at normal commercial rates.