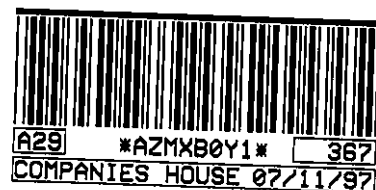


3009700

SOCIETY OF ST JAMES

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 1997

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SOCIETY OF ST JAMES

ANNUAL REPORT INFORMATION

TRUSTEES AND DIRECTORS:-

D Barrett (Chairperson)  
D Auchmuty (Vice Chairperson)  
G Tunney (Treasurer)  
R Barnett  
M Sloan  
J Cox

COMPANY SECRETARY:-

T Pickup

REGISTERED OFFICE:-

The Compass Suite  
Royal Mail House  
Terminus Terrace  
Southampton  
SO14 3FD

REGISTERED COMPANY NUMBER:-

3009700

REGISTERED CHARITY NUMBER:-

1043664

AUDITORS:-

Lyon Pilcher  
Park House  
102-108 Above Bar  
Southampton  
SO14 7NH

SOLICITORS:-

Blake Lapthorn  
New Court  
1 Barnes Wallis Road  
Segensworth  
Fareham  
PO15 5UA

BANKERS:-

Bank of Scotland  
144-148 High Street  
Southampton  
SO14 2JF

## SOCIETY OF ST JAMES

### ANNUAL REPORT

The directors present their report and the financial statements for the year ended 31 March 1997.

The Society of St James is a company limited by guarantee. The liability of the members is limited by their guarantee. In the event of the Society being wound up during the period of their membership (or within the year following), members undertake to contribute such amounts as may be required, but not exceeding £10.

### STATEMENT OF 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 surplus or deficit 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;
- state whether applicable 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 company will continue in business.

The directors are responsible for keeping 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 steps for the prevention and detection of fraud and other irregularities.

### REVIEW OF ACTIVITIES

This 1996/97 year has been a period of rapid change and growth for the Society. In addition to our existing range of houses and other services for homeless people, the Society opened or took responsibility for three new schemes.

The Society was successful in obtaining a National Lottery Charity Board Grant to enable the purchase of a house for four young homeless people. The Society also was granted funds to refurbish and equip the house, plus £15,000 towards paying a part-time member of staff for two years. The total grant was £83,000 over two years. The property which is in Freshfield Road, Southampton shows in the accounts as an addition to our assets of £54,500.

The second new venture was an agreement with the Southampton YMCA, and the National YMCA. Under this agreement, the Society was appointed as the Managing Agent for the YMCA for a hostel for 73 men and women at George Williams House, Cranbury Place, Southampton. The property was in need of a substantial programme of maintenance, and improvement in Management standards. The project was generally under-used with only 60% levels of occupancy. The Society has a contract to manage the property and the staff, and to receive a management fee for this work. Since the Southampton YMCA have ultimate responsibility for the scheme, the financial details are in their audited accounts rather than in the accounts of the Society. Our accounts show the management fee received for the period from January to March 1997.

## SOCIETY OF ST JAMES

### ANNUAL REPORT (continued)

#### REVIEW OF ACTIVITIES (continued)

Our third new scheme of the year was to take responsibility for six self-contained flats in Steep Close, Harefield. Built and owned by Hyde Housing Association, these flats provide independent accommodation for people with mental health problems. The Society will receive Supported Housing Management Grant, a grant to cover the cost of employing a half-time member of staff to support the tenants.

The Society's existing range of housing continued to meet the needs of many homeless people during the year, with high levels of occupancy at the Shelter and some of the other projects. Our project for people with alcohol abuse problems, however, ran at low occupancy towards the end of the year, and has now been converted into a scheme offering support to homeless people moving on from the Shelter and Patrick House (managed by St. Dismas).

The small loss incurred this year on general funds is of concern, but has been offset against the small surpluses made in previous years. The Trustees are awake to the ever increasing financial pressures, with grant rates failing to keep up with inflation, and staffing costs (our largest single item of expenditure) generally running ahead of price inflation. Further uncertainty comes from the review of the Special Needs Management Allowance which will take place in 1997/98.

However, the Trustees are confident that the good quality of services which are provided, the support of local and national Government Agencies and the ongoing demand to meet the needs of the homeless people will together ensure the ongoing viable future for the Society.

#### ACKNOWLEDGEMENTS

The Society wishes to gratefully acknowledge the financial support received from the following:-

Housing Corporation  
Southampton City Council  
Hampshire Probation Service  
Hampshire County Council  
Department of Social Security  
National Lottery Charity Board  
Hilden Charitable Fund

SOCIETY OF ST JAMES

ANNUAL REPORT (continued)

RESULTS

The overall surplus for the year of £97,206 has been added to the total fund balance.

DIRECTORS

The directors below have held office during the whole of the period from 1 April 1996 to the date of this report, unless otherwise stated.

D Barrett

D Auchmuty

G Tunney

R Barnett

V Godbole (Resigned 7 November 1996)

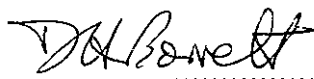
M Sloan

J Cox (Appointed 7 November 1996)

AUDITORS

Lyon Pilcher have signified their willingness to continue in office and a resolution proposing their re-appointment will be put to the forthcoming Annual General Meeting.

Approved by the Board on 4 November 1997  
and signed on its behalf by:



.....  
D Barrett, Chairperson

**AUDITORS' REPORT TO THE MEMBERS OF  
SOCIETY OF ST JAMES**

We have audited the financial statements on pages 7 to 13 which have been prepared following the accounting policies set out on page 9.

**RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS**

As described on page 3, the company's directors are responsible for the preparation of the financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

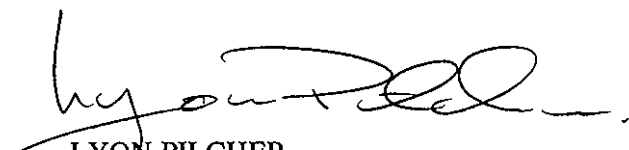
**BASIS OF OPINION**

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 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 an 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 1997 and of its income and expenditure for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



LYON PILCHER  
REGISTERED AUDITORS

Southampton

4 November 1997

# SOCIETY OF ST JAMES

## STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 MARCH 1997

		Unrestricted Funds			Total	Total
Notes	General	Designated	Restricted	Total	Total	
	Fund	Funds	Funds	1997	1996	
	£	£	£	£	£	
INCOME AND EXPENDITURE						
Incoming resources:						
Net rental income	426,678	-	-	426,678	444,523	
Care allowances	3,300	-	-	3,300	3,854	
Southampton City Council grants	34,136	-	-	34,136	32,823	
Hampshire County Council grants	10,415	-	-	10,415	10,261	
Home Office grants	12,473	-	-	12,473	12,110	
Resettlement Agency (schedule 5)	56,400	-	-	56,400	52,801	
Winter Project grants and donations	4,470	-	-	4,470	45,687	
(T)SNMA receivable - current year	170,479	-	-	170,479	150,236	
- prior years	-	39,240	-	39,240	-	
National Lottery grants	-	-	71,750	71,750	-	
Other grants and donations	8,868	-	-	8,868	9,290	
YMCA Management fee	3,937	-	-	3,937	-	
Interest receivable	4,325	-	-	4,325	5,062	
Total incoming resources	735,481	39,240	71,750	846,471	766,647	
Resources expended:						
Direct charitable expenditure	2 611,913	-	12,956	624,869	635,904	
Management and administration	3 127,774	-	-	127,774	111,491	
Total resources expended	4 739,687	-	12,956	752,643	747,395	
Net (outgoing)/incoming resources before transfers	(4,206)	39,240	58,794	93,828	19,252	
Transfers between funds	(4,000)	4,000	-	-	-	
Net (outgoing)/incoming resources	(8,206)	43,240	58,794	93,828	19,252	
Other recognised gains and losses:						
Unrealised gains on investment assets	6 3,378	-	-	3,378	1,533	
NET MOVEMENT IN FUNDS	(4,828)	43,240	58,794	97,206	20,785	
Balance brought forward at 1 April 1996	218,633	9,000	-	227,633	206,848	
Fund balance carried forward at 31 March 1997	£213,805	£52,240	£58,794	£324,839	£227,633	

All amounts relate to continuing activities.

The results for the year have been calculated on the historical cost basis.

The notes on pages 9 to 13 form part of these financial statements.

SOCIETY OF ST JAMES

BALANCE SHEET AT 31 MARCH 1997

	<u>Notes</u>	<u>1997</u> £	<u>1996</u> £
FIXED ASSETS			
Tangible assets	5	196,394	147,562
Investments	6	<u>23,144</u>	<u>18,766</u>
		<u>219,538</u>	<u>166,328</u>
CURRENT ASSETS			
Debtors	7	84,943	70,490
Cash at bank and in hand		<u>135,783</u>	<u>98,364</u>
		220,726	168,854
LIABILITIES: Amounts falling due within one year	8	(115,425)	(107,549)
NET CURRENT ASSETS		<u>105,301</u>	<u>61,305</u>
NET ASSETS		<u>£324,839</u>	<u>£227,633</u>
FUNDS			
Restricted funds	9	58,794	-
Designated funds	10	52,240	9,000
Other funds	11	<u>213,805</u>	<u>218,633</u>
TOTAL FUNDS	11	<u>£324,839</u>	<u>£227,633</u>

Approved by the Board on 4 November 1997  
and signed on its behalf by:

  
.....  
G Tunney, Director

The notes on pages 9 to 13 form part of these financial statements.

SOCIETY OF ST JAMES

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 1997

1) ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable accounting standards, including the Charities' SORP.

a) **Accounting Convention**

The financial statements are prepared under the historical cost convention.

b) **Income**

Income represents the value of all rents, revenue grants and allowances receivable in respect of the year.

c) **Depreciation**

Depreciation is calculated to write off the cost or revalued amount less estimated residual value of fixed assets on a straight line basis over their estimated useful lives. No depreciation is charged on freehold property.

d) **Investments**

Investments are stated at market value.

e) **Leases**  
**Operating Leases**

Rentals payable under operating leases are charged on a straight line basis over the term of the lease.

f) **Pension Costs**

Pension contributions payable are charged to the income and expenditure account in the period to which they relate.

2) DIRECT CHARITABLE EXPENDITURE

	Unrestricted <u>Funds</u> £	Restricted <u>Funds</u> £	Total <u>1997</u> £	Total <u>1996</u> £
Provision of sustenance and accommodation for homeless people:				
Direct costs	517,217	12,956	530,173	548,135
Support costs:				
Staff training	11,188	-	11,188	10,769
Support staff	83,508	-	83,508	77,000
	<u>£611,913</u>	<u>£12,956</u>	<u>£624,869</u>	<u>£635,904</u>

SOCIETY OF ST JAMES

NOTES TO THE FINANCIAL STATEMENTS (continued)

3) MANAGEMENT AND ADMINISTRATION

	Unrestricted <u>Funds</u> £	Restricted <u>Funds</u> £	Total <u>1997</u> £	Total <u>1996</u> £
Staff costs	74,772	-	74,772	65,482
Office costs:- Rent and rates	7,735	-	7,735	6,298
Insurance	5,309	-	5,309	5,823
Cleaning and other	5,539	-	5,539	3,025
Telephone	4,719	-	4,719	3,278
Postage, stationery and advertising	13,710	-	13,710	12,143
Sundry expenses	4,319	-	4,319	4,650
Audit fees	3,750	-	3,750	3,450
Accountancy	3,015	-	3,015	3,963
Bank charges	275	-	275	255
Depreciation	4,631	-	4,631	3,124
	<u>£127,774</u>	<u>£-</u>	<u>£127,774</u>	<u>£111,491</u>

4) TOTAL RESOURCES EXPENDED

	Staff <u>Costs</u> £	<u>Depreciation</u> £	Other <u>Costs</u> £	<u>Total</u> £
Provision of sustenance and accommodation for homeless people	391,859	15,599	217,411	624,869
Management and administration	<u>74,772</u>	<u>4,631</u>	<u>48,371</u>	<u>127,774</u>
	<u>£466,631</u>	<u>£20,230</u>	<u>£265,782</u>	<u>£752,643</u>

Staff costs:	<u>1997</u> £	<u>1996</u> £
Wages and salaries	414,218	412,929
Social security costs	37,354	36,790
Pension costs	15,059	16,376
	<u>£466,631</u>	<u>£466,095</u>

No employee earned £40,000 or more in the year.

No director received any remuneration during the year.

The average number of employees, analysed by function, was:

	<u>Number</u>	<u>Number</u>
Project based staff	30	31
Office and management	<u>5</u>	<u>4</u>
	<u>35</u>	<u>35</u>

SOCIETY OF ST JAMES

NOTES TO THE FINANCIAL STATEMENTS (continued)

5) TANGIBLE FIXED ASSETS

	Freehold Property £	Furniture and Equipment £	Total £
COST			
At 1 April 1996	126,510	102,311	228,821
Additions	<u>54,500</u>	<u>14,562</u>	<u>69,062</u>
At 31 March 1997	<u>181,010</u>	<u>116,873</u>	<u>297,883</u>
ACCUMULATED DEPRECIATION			
At 1 April 1996	-	81,259	81,259
Charge for the year	<u>-</u>	<u>20,230</u>	<u>20,230</u>
At 31 March 1996	<u>-</u>	<u>101,489</u>	<u>101,489</u>
NET BOOK VALUES			
At 31 March 1997	<u>£181,010</u>	<u>£15,384</u>	<u>£196,394</u>
At 31 March 1996	<u>£126,510</u>	<u>£21,052</u>	<u>£147,562</u>
Depreciation rates		25-50%	

6) FIXED ASSET INVESTMENTS

	<u>1997</u> £	<u>1996</u> £
Quoted investments:		
Market value as at 1 April 1996	18,766	15,233
Additions	1,000	2,000
Net unrealised investment gains	<u>3,378</u>	<u>1,533</u>
Market value as at 31 March 1997	<u>£23,144</u>	<u>£18,766</u>
Historical cost as at 31 March 1997	<u>£18,233</u>	<u>£17,233</u>

7) DEBTORS

	<u>1997</u> £	<u>1996</u> £
DUE WITHIN ONE YEAR:		
Grants receivable	26,122	28,957
Rent receivable	45,132	32,670
Other debtors	5,437	2,330
Prepayments and accrued income	<u>8,252</u>	<u>6,533</u>
	<u>£84,943</u>	<u>£70,490</u>

SOCIETY OF ST JAMES

NOTES TO THE FINANCIAL STATEMENTS (continued)

8) LIABILITIES: AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>1997</u>	<u>1996</u>
	£	£
Provisions	26,977	31,340
Taxation and social security	13,705	12,184
Other creditors	55,579	42,796
Accruals and deferred income	19,164	21,229
	<u>£115,425</u>	<u>£107,549</u>

9) RESTRICTED FUNDS

	<u>Balance</u> <u>at 1/4/96</u>	<u>Movement in Funds</u>		<u>Balance</u> <u>at 31/3/97</u>
	£	<u>Incoming</u>	<u>Outgoing</u>	£
		£	£	
Freshfield Road Capital Fund	-	54,500	-	54,500
Freshfield Road Revenue Fund	-	17,250	12,956	4,294
Total Restricted Funds	<u>£-</u>	<u>£71,750</u>	<u>£12,956</u>	<u>£58,794</u>

The Freshfield Road Capital Fund was established in 1996 out of a grant received from the National Lottery Charities Board. The conditions of the grant stipulated that it was to be used to acquire a property to be used to accommodate homeless people under the age of 25.

The Freshfield Road Revenue Fund was also established in 1996 out of further grants received from the National Lottery Charities Board. The conditions of these grants stipulated that they were to be used to furnish and staff the property bought using the Capital Fund, which is located in Freshfield Road, Southampton.

## SOCIETY OF ST JAMES

### NOTES TO THE FINANCIAL STATEMENTS (continued)

#### 10) DESIGNATED FUNDS

The income funds of the charity include the following designated funds, which have been set aside out of unrestricted funds by the trustees for specific purposes:

	Balance at 1/4/96 £	New Designations £	Balance at 31/3/97 £
Belmont Road Maintenance Fund	9,000	4,000	13,000
Furniture Fund	-	39,240	39,240
	<u>£9,000</u>	<u>£43,240</u>	<u>£52,240</u>

The Belmont Road Maintenance Fund represents amounts identified by the directors as required for maintenance of the freehold property at 30 Belmont Road, Southampton.

The Furniture Fund represents TSNMA received during the year in respect of prior years, which the directors have identified as required for the maintenance and renewal of furniture and fittings at the Society's properties.

#### 11) ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Tangible Fixed Assets £	Investments £	Net Current Assets £	Total £
Restricted Funds:				
Freshfield Road Capital Fund	54,500	-	-	54,500
Freshfield Road Revenue Fund	3,109	-	1,185	4,294
	<u>57,609</u>	-	1,185	58,794
Unrestricted Funds:				
Designated Funds	-	3,000	49,240	52,240
Other Funds	138,785	20,144	54,876	213,805
	<u>£196,394</u>	<u>£23,144</u>	<u>£105,301</u>	<u>£324,839</u>

#### 12) PENSIONS

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund.