

**CHARITY COMMISSION
COPY**

The House of St Barnabas

**Annual Report and Consolidated
Financial Statements**

31 March 2013

Company Limited by Guarantee
Registration Number
06845128 (England and Wales)

Charity Registration Number
207242

Also including subsidiary Charity Registration Number
207242-1

CHARITY COMMISSION
FIRST CONTACT

23 DEC 2013

ACCOUNTS
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Reference and administrative details of the charity, its Trustees and advisors

Patron	Her Royal Highness Princess Alexandra, the Hon. Lady Ogilvy, KG, GCVO
Vice Patron	Jenniver White
Visitor	The Bishop of London
Board of Trustees	David Evans (Chair) Juliet Armstrong Kevin Arnold Warren Colquitt (Treasurer from 16/8/13) Christine Hancock (Treasurer to 15/8/13) Frances Mapstone Nigel Wright
Advisory Board*	David Monro The Revd Adam Scott OBE TD
Chair	David Evans
Treasurer	Warren Colquitt
Chief Executive	Sandra Schembri
Address	1 Greek Street Soho Square London W1D 4NQ
Company registration number	06845128
Charity registration numbers	207242 and 207242-1
Auditors	Buzzacott LLP 130 Wood Street London EC2V 6DL

* On 7 December 2012, the incorporated charity became the Corporate Trustee of the unincorporated charity (charity registration number 207242-1). At this point, David Monro and The Revd Adam Scott, previously Custodian Trustees, became the Advisory Board.

Reference and administrative details of the charity, its Trustees and advisors

Bankers

Barclays Bank plc
27 Soho Square
London
W1A 4WA

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

Trustees' report Year to 31 March 2013

The Board of Trustees presents its statutory report together with the consolidated financial statements of The House of St Barnabas for the year ended 31 March 2013.

The financial statements have been prepared in accordance with the accounting policies set out on pages 16 and 18 of the attached financial statements and comply with the charity's Memorandum and Articles of Association, applicable laws and the requirements of the Statement of Recommended Practice on "Accounting and Reporting by Charities" issued in March 2005.

GOVERNANCE, STRUCTURE AND MANAGEMENT

◆ Constitution

The House of St Barnabas in Soho was founded in 1846 and was registered as a charity. On 1 April 2009, the activities, assets and liabilities of this charity were transferred to the charitable company, The House of St Barnabas (company registration number 06845128 and charity registration number 207242). From this date, the events activities of the House have been undertaken by the wholly owned subsidiary company, The House of St Barnabas Events Limited. The original unincorporated charity is now a linked charity to The House of St Barnabas as a subsidiary charity and has been given charity registration number 207242-1.

◆ The Board of Trustees

The following Trustees were in office at 31 March 2013, and served throughout the year, except where shown.

Board of Trustees	Appointed/Resigned
Juliet Armstrong	
Kevin Arnold	Appointed 4 September 2012
David Evans	
Warren Colquitt	Appointed 4 July 2013
Christine Hancock	
Frances Mapstone	Appointed 19 March 2013
Nigel Wright	

No Trustee received any remuneration for services as a trustee nor were any expenses reimbursed to the Board of Trustees (2012 – none).

The freehold property is no longer held by the Custodian Trustees. Since 7 December 2012 it has been held by the Incorporated charity as the corporate trustees of the Unincorporated charity, The House of St Barnabas-in-Soho, charity registration number 207242-1.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

◆ **Trustee recruitment and appointment**

Proposed Trustees submit a CV, individually meet all appointed Trustees in advance, and are invited to attend a Trustee meeting, prior to being appointed, so that they can be assessed by the Trustees for suitability of qualifications or experience. New Members of the Board sign a declaration confirming that they are not ineligible to be charity trustees.

◆ **Trustees induction and training**

New Trustees receive a comprehensive pack of information including a copy of the charity's Scheme, annual report and financial statements for the previous two years, a copy of the Vision Statement, policy documents and a history of the House.

Away Days are usually held once a year, to enable the Board to discuss issues in greater depth than at a regular meeting of the Trustees.

◆ **Trustees' responsibilities**

The Trustees, who are also directors of The House of St Barnabas for the purposes of company law, are responsible for preparing the Trustees' report and financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the group for that period. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the group for that period.

In preparing these financial statements, the Trustees are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in the Statement of Recommended Practice (Accounting and Reporting by Charities) (the Charities SORP);
- ◆ make judgements and estimates that are reasonable and prudent;
- ◆ state whether applicable accounting standards and statements of recommended practice have been followed, subject to any departures disclosed and explained in the financial statements; and
- ◆ prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

◆ Trustees' responsibilities (continued)

The Trustees are responsible for keeping accounting records which disclose with reasonable accuracy the financial position of the charitable company and which 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Each of the Trustees confirms that:

- ◆ so far as the Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware; and
- ◆ the Trustee has taken all the steps that he/she ought to have taken as a Trustee in order to make himself/herself aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of S418 of the Companies Act 2006.

The Trustees are responsible for the maintenance and integrity of financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

◆ Organisational structure and management reporting

The Board of Trustees governs the charity. The Board meets bi-monthly. A Finance Committee also meets bi-monthly.

Executive functions are delegated to the Chief Executive and through her to management. The appointment of the Chief Executive is undertaken by the Board of Trustees. The Chairman is responsible for agreeing objectives for the Chief Executive, and monitoring these on a regular basis. The Chief Executive reports to the Board on all matters as directed.

The Board has one sub-committee, set up to consider issues in detail. This is the Finance Committee. There are terms of reference in place for this committee.

The Finance Committee, comprising Trustees and one external member is chaired by the Treasurer. Its main responsibility is to scrutinise overall financial management and develop financial strategy. It reviews the monthly management accounts, and considers all significant financial issues, including the annual budget, longer term financial planning, and major financial transactions and relationships with suppliers and partners.

The Chief Executive has delegated power to initiate additional expenditure to the approved budget of up to £5,000 for any one item.

GOVERNANCE, STRUCTURE AND MANAGEMENT (continued)

◆ Risk management

The charity, like any organisation, is exposed to a number of risks. Some of these are particular to the charity and its work; many are generic. It is the responsibility of Trustees to anticipate these risks and to ensure that procedures are in place to mitigate them.

The key risks facing the charity have been identified and are set out below:

- ◆ Although it has been piloted successfully, building the new operating model of a not-for-profit members club integrated with the charity, will be very challenging. We are alert to the many risks here, foremost being the demands that will be placed on the skills and experience of our staff, and our ability to secure the necessary financing.
- ◆ The Crossrail project also raises material risks. It may have a major impact on the fabric of the building and the uses to which it may be put during the forthcoming period of excavation and building nearby and underneath the House. Following a petition to the House of Lords, a Deed dated 25 November 2008 and executed by Crossrail is in place to safeguard the House in accordance with the Deed executed by the Secretary of State for Transport dated 17 October 2008. Professional architectural and structural advisers, specializing in historic buildings, have been employed, the buildings are being monitored, a precautionary scaffold is in place beneath the main staircase and there is a routine of meetings with Crossrail to keep the matter under review. In 2014 Crossrail expect to excavate the platform tunnels from the running tunnel completed in 2013 using a sprayed concrete lining. To mitigate movements in the clay subsoil, Crossrail have now installed a compensation grouting scheme from Soho Square directly beneath the House and Chapel.

In addition to these specific risks, we, like other charities, are affected by the very difficult economic environment. Our situation is exacerbated by the small size of the charity and by the modest staff resources to access funding opportunities.

All these risks are recognised and are mitigated as far as possible by adherence to good change management procedures, supported by our external advisers. The Board is content that the charity is operating in a way that ensures safe and correct practice.

An integral part of the Employment Preparation Programme is the involvement of vulnerable people who have experienced homelessness. We have processes in place to manage any associated risks and to enhance the positive contribution that our EPP clients make to our wider charitable objectives.

ACTIVITIES AND OBJECTIVES

◆ Mission and overall objectives

Our overall objective was, and is, to provide a safe environment for the vulnerable homeless, where they can re-build self-confidence and life skills. Under the direction of professional operational and life skills staff, we have sought to make the House a vibrant place, offering a range of development and learning opportunities. Our aim is to create a future where sustainable employment is a reality for those affected by homelessness.

◆ Activities and specific objectives

The overall aim of the charity is to help homeless people change their lives and regain and sustain independence by:

- ◆ providing a haven and a community within the House of St Barnabas;
- ◆ giving individuals support and learning experiences in order to build their confidence and self-esteem; and
- ◆ enabling people to gain practical work experience and to gain qualifications that lead them into employment and subsequently independent living.

ACHIEVEMENTS AND PERFORMANCE

We continue on a challenging journey, and 2012/13 again was a demanding year.

We remained committed to building the model that integrates our employment academy with the running of a not-for-profit private members' club. In the early months of 2012 we decided to manage the project directly ourselves. Shortly thereafter we obtained the required planning permission from Westminster.

Although directly responsible, there were many things where we identified the need for additional expertise. Most importantly we needed a hospitality partner to provide service in the club, and to run the kitchen, the restaurants and bars. A rigorous selection process, in which we were very grateful to Nick Lander and Fernando Peire for their advice and support, led by the end of 2012 to the selection as our hospitality partner of Benugo – a division of the Baxter Storey group. We were, and are, very pleased with this choice.

Throughout 2012 the charity continued to hire out its historic rooms to generate revenue. In particular, with London hosting the Olympics in the summer the whole building was hired by Omega as their London home. In addition to the income, this arrangement brought great excitement and a high profile to the building.

With the overall charitable project taking shape we were the beneficiaries of several grants, most significantly from Garfield Weston Foundation and The Linbury Trust. We would also like to acknowledge a significant donation from the estate of a great grand-daughter of Dr Henry Monro, Bridget Penelope Scott (1921–2011), who served on the Council of the House of St Barnabas for many years. We are most grateful to all these, and to our many other donors and supporters.

ACHIEVEMENTS AND PERFORMANCE (continued)

Works began on the building itself towards the end of 2012, starting with essential infrastructure improvement to heating, plumbing and electrics. Much more was to follow throughout 2013. The associated building costs were incurred in anticipation of the new uses of the building, in addition to building costs, many staff salary costs increased also as we prepared for the club. Since finalising the accounts for the year to 31 March 2013, the charity has completed an initial phase of the building works on the House and successfully opened its not for profit members club in October 2013. In this area Revd Adam Scott has been a pillar of strength, ensuring the steps necessary to safeguard and develop the fabric of the building, and in particular providing an interface to Crossrail.

In parallel with all these endeavours we were able throughout 2012 to maintain charitable activity, running programmes in conjunction with Off to Work that helped people who were disadvantaged into employment.

It is difficult to know how fully to pay tribute to those involved. The staff of the charity, very ably led by our CEO Sandra Schembri, have risen to every challenge, highly motivated by the prospect of building a truly innovative and successful model of charitable provision. We thank them all.

The Trustees too, as part of an augmented and stronger Board, have maintained a constant enthusiasm and commitment - a source of great strength.

We have worked hard to maintain and grow relationships with our many stakeholders, including the local Soho community. In particular we are very pleased that we have been able to increase our involvement with and contribution to The Soho Society.

The Chapel continues to offer a special environment within the charity - a place of quietness and reflection. During the year we continued to host the Very Revd Viktor Stojchev and London's Macedonian Orthodox Church of St Michael & All Angels. During the year we welcomed the Macedonian Bishop of Europe, Metropolitan Pimen, who was here for their Christmas, and the new priest-in-charge of the parish of St Anne's Soho, the Revd Simon Buckley. With regular Orthodox worship, services of blessing after civil marriage and our own services including carols, we estimate that between 1,500 and 2,000 visits for formal worship took place during the year.

The charity is custodian of two beautiful Grade I buildings and we are very conscious that this carries with it a responsibility to enable public access.

In the years when the House was a hostel, public access was minimal. We now have a programme of public access that is far more extensive. The charity now:

ACHIEVEMENTS AND PERFORMANCE (continued)

- ◆ participates in the Open House scheme, allowing public access on one weekend a year;
- ◆ offers tours of the building to the general public twice a week, booked through our website;
- ◆ offers tours of the House to members of the Georgian Society;
- ◆ offers tours of the House to the congregations who worship in our Chapel on Sundays; and
- ◆ is keen to explore further opportunities for public access to buildings of which we are very proud. We will work with local amenity groups to pursue such opportunities.

With the club opening again, through members and their guests, thousands more than in the past will have the opportunity to see and enjoy our beautiful building than ever have in the past. Through our community programmes we make rooms of the House available to other charities and to local amenity groups.

Public Benefit

We follow the Charity Commission's general guidance on public benefit, and the Trustees always ensure that the programmes we undertake are in line with our charitable objects and aims.

FINANCIAL REVIEW

◆ Results for the year

Total incoming resources for the year amounted to £958,101 (2012 - £917,476), of which £689,968 (2012 - £812,471) was generated from rental and events income and £268,133 (2012 - £105,005) from donations and legacies.

The cost of generating funds, totalling £612,634 for the year ended 31 March 2013 (2012 - £671,863), reflects the investment in developing the events and room hire activities. In addition, the charity incurred £252,219 (2012 - £127,704) of charitable expenditure in running the life skills programme and governance costs of £131,314 (2012 - £120,880).

The overall net decrease in funds for the year amounted to £38,066 (2012 decrease - £2,971). Total funds at 31 March 2013 stood at a surplus of £8,151 (2012 - £46,217), of which £112,916 of surplus funds were restricted in nature (2012 - £12,916) and £57,118 of surplus funds are held in the endowment fund (2011 - £57,695) relating to the carrying value of the property held at depreciated cost. The unrestricted funds at 31 March 2013 were in deficit by £161,883.

FINANCIAL REVIEW (continued)

◆ Reserves policy and financial position

The House had total reserves of £8,151 at 31 March 2013. The Trustees are considering ways in which the unrestricted general reserve can be strengthened. The charity plans to move unrestricted funds to a surplus position and to grow the reserves as the business allows.

FUTURE PLANS

Our overall purpose of helping people who have experienced homelessness is unchanged. Our vision today though addresses more fundamentally the underlying causes and consequences of homelessness.

Our aim is to create a future where sustainable employment is a reality for those affected by homelessness. It is to build, within the unique environment of the House, a modern accredited City and Guild Employment Academy, providing a haven, employment training, a source of counselling and life skills training, and an increasingly wide range of practical work opportunities through the not-for-profit private members' club.

Through the club, working with our hospitality partner Benugo, we aim to establish a secure income for the charity, provide work experience opportunities for the people coming through our employment programmes, and build support for our own fund raising. We are also very conscious of our responsibilities as stewards of two beautiful Grade 1 buildings, and will ensure their good repair and upkeep.

In all these endeavours we rely upon, and benefit greatly from, the warm relationships we enjoy with others. Going forward this will be one of our most important priorities – from other organisations in the sector, to employer partners, to businesses and supporters in Soho, to other amenity organisations. We will only fulfill our most ambitious objectives as a team.

During the financial year 2013/14 we will keep our strategy under close review and in the longer term, we will strengthen our Board, to ensure we have the experience to steer a course for the years ahead.

The charitable benefit of the new model is far wider than money alone. The people whom we help will without exception have had difficult times in their lives, when their confidence has been low and when they have been shown little respect. The effect of being welcomed into such a successful, vibrant environment is profound, and intangibly lies behind a great part of the success we achieved over the pilot months.

It is a future that is still full of challenge, but one in which there is an opportunity to make a real difference, and to create a new model for social change.

It is early days, but membership applications to date have been encouraging which gives the Board considerable confidence with the longer term model and the potential role that members can play.

Trustees' report Year to 31 March 2013

GOING CONCERN

Despite the fact that the group has negative unrestricted general funds of £161,883 and net current liabilities of £184,884 at 31 March 2013, the Trustees believe that the organisation is a going concern for the following reasons:

- ◆ Detailed cashflow projections demonstrate that it remains cash positive for the next year.
- ◆ The organisation's financial forecasts demonstrate that it will be able to meet its debts as they fall due. Payments plans have been agreed with suppliers where relevant.
- ◆ The Charity's five year plans demonstrate a viable, growing business with an increasing surplus year on year.
- ◆ The Charity's balance sheet includes the freehold property which is carried at historic cost less depreciation; a professional valuation has been carried out during the year and the building is estimated to be worth £4 million on the open market based upon its current usage; this asset lies behind the charity, both as collateral for the raising of loans, or, in extremis, Charity Commission approval could be sought to enable the charity to sell the property to continue in its purpose.

Signed on behalf of the Board of Trustees



David Evans
Chair of the Board of Trustees

Approved on: 18 December 2013

Independent auditor's report 31 March 2013

Independent auditor's report to the Trustees of The House of St Barnabas

We have audited the financial statements of The House of St Barnabas for the year ended 31 March 2013 which comprise the consolidated statement of financial activities, the consolidated group and parent charity balance sheets, principal accounting policies and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Practice).

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

Respective responsibilities of Trustees and auditor

The Trustees are also the directors of the charitable company for the purposes of company law. As explained more fully in the Trustees' responsibilities statement set out in the Trustees' report, the Trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- ◆ give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31 March 2013 and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;

Independent auditor's report 31 March 2013

Opinion on financial statements (continued)

- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

Emphasis of matter – going concern

The financial statements have been prepared on a going concern basis. In forming our opinion we have considered the adequacy of the disclosures made in the accounts concerning the future viability of the charity. Details of the circumstances relating to the going concern position are described on page 16 of the accounts and we consider that these disclosures need to be brought to the readers' attention in view of their significance. Our opinion is not qualified in this respect.



Katharine Patel, Senior Statutory Auditor
for and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
EC2V 6DL

19 December 2013

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

Consolidated statement of financial activities Year to 31 March 2013

Income and expenditure	Notes	Unrestricted funds £	Restricted Funds £	Endowment funds £	Year ended 31 March 2013 £	Year ended 31 2012 £
Incoming resources						
Incoming resources from generated funds						
- Voluntary income	1	123,133	145,000	—	268,133	105,005
- Activities for generating funds	2	689,968	—	—	689,968	812,471
Total incoming resources		813,101	145,000	—	958,101	917,476
Resources expended						
Cost of generating funds						
Charitable expenditure	3	612,634	—	—	612,634	671,863
Governance costs	4	206,642	45,000	577	252,219	127,704
	6	131,314	—	—	131,314	120,880
Total resources expended		950,590	45,000	577	996,167	920,447
Net (outgoing) resources for the year		(137,489)	100,000	(577)	(38,066)	(2,971)
Net movement in funds		(137,489)	100,000	(577)	(38,066)	(2,971)
Balances brought forward at 1 April 2012		(24,394)	12,916	57,695	46,217	49,188
Balances carried forward at 31 March 2013		(161,883)	112,916	57,118	8,151	46,217

There is no difference between the net movement in funds stated above and the historical cost equivalent.

All of the group's activities derived from continuing operations in the above two financial periods.

The group has no recognised gains and losses other than those shown above and therefore no separate statement of total recognised gains and losses has been presented.

Balance sheets 31 March 2013

	Notes	Group		Charity	
		2013 £	2012 £	2013 £	2012 £
Fixed assets					
Tangible assets	10	558,835	259,026	558,835	259,026
Investments	11	—	—	1	1
		<u>558,835</u>	<u>259,026</u>	<u>558,836</u>	<u>259,027</u>
Current assets					
Debtors	12	50,523	54,184	36,149	223,051
Cash at bank and in hand		160,554	91,984	154,545	64,556
		<u>211,077</u>	<u>146,168</u>	<u>190,694</u>	<u>287,607</u>
Creditors: amounts falling due within one year	13	<u>(395,961)</u>	<u>(358,977)</u>	<u>(294,585)</u>	<u>(500,416)</u>
Net current liabilities		<u>(184,884)</u>	<u>(212,809)</u>	<u>(103,891)</u>	<u>(212,809)</u>
Total assets less current liabilities		373,951	46,217	454,945	46,218
Creditors: amounts falling due in more than one year		<u>(365,800)</u>	<u>—</u>	<u>(365,800)</u>	<u>—</u>
Net assets		<u>8,151</u>	<u>46,217</u>	<u>89,145</u>	<u>46,218</u>
Represented by:					
Funds and reserves					
Endowment funds	16	57,118	57,695	57,118	57,695
Restricted funds	15	112,916	12,916	112,916	12,916
<i>Unrestricted funds</i>					
General fund		<u>(161,883)</u>	<u>(24,394)</u>	<u>(80,889)</u>	<u>(24,393)</u>
		<u>8,151</u>	<u>46,217</u>	<u>89,145</u>	<u>46,218</u>

Approved by the Board of Trustees
and signed on its behalf by:



D J Evans

Trustee

Approved on: 18 December 2013

Company registration number: 06845128 (England and Wales)

Principal accounting policies 31 March 2013

Basis of accounting

The financial statements have been prepared under the historical cost convention and in accordance with the requirements of the Companies Act 2006. The principles set out in applicable United Kingdom accounting standards (United Kingdom Generally Accepted Accounting Practice) and those contained within the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005) have been followed in these financial statements.

Going concern

Despite the fact that the Group has negative unrestricted general funds of £161,883 and net current liabilities of £184,884 at 31 March 2013, the Trustees believe that the organisation is a going concern for the following reasons:

- ◆ Detailed cashflow projections demonstrate that it remains cash positive for the next year.
- ◆ The organisation's financial forecasts demonstrate that it will be able to meet its debts as they fall due. Payments plans have been agreed with suppliers where relevant.
- ◆ The Charity's five year plans demonstrate a viable, growing business with an increasing surplus year on year
- ◆ The Charity's balance sheet includes the freehold property which is carried at historic cost less depreciation; a professional valuation has been carried out during the year and the building is estimated to be worth £4 million on the open market based upon its current usage; this asset lies behind the charity, both as collateral for the raising of loans, or, in extremis, Charity Commission approval could be sought to enable the charity to sell the property to continue in its purpose.

Basis of consolidation

The consolidated statement of financial activities and the group balance sheet consolidate the assets, liabilities, income and expenditure of the charity, its connected charity the House of St Barnabas-in-Soho and its connected company The House of St Barnabas Events Ltd.

No separate statement of financial activities has been presented for the charitable company alone as permitted by Section 480 of the Companies Act 2006 and paragraph 397 of the SORP.

The charitable company had total incoming resources of £319,389 (2012 - £122,566) and resources expended of £291,076 (2012 - £243,643) for the year ended 31 March 2013.

Principal accounting policies 31 March 2013

Incoming resources

Incoming resources are recognised in the period in which the group is entitled to receipt and the amount can be measured with reasonable certainty. Income received for future accounting periods is treated as at 31 March.

Resources expended and the basis of apportioning costs

All expenditure is included on an accruals basis and is recognised when there is a legal and constructive obligation to make a payment. Expenditure includes any attributable VAT which cannot be recovered.

Resources expended comprise the following:

- a. Cost of generating funds includes both direct and indirect costs incurred in managing and promoting the House as a venue.
- b. Charitable expenditure comprises expenditure on the charity's primary charitable purposes.
- c. Governance costs comprise the costs associated with governance of the charity. Included within this category are costs associated with the strategic as opposed to the day to day management of the charity's assets.

Fund accounting

General funds represent those monies which are freely available for application towards achieving any charitable purpose that falls within the charitable company's charitable objects.

Endowment funds represent the freehold property held by the subsidiary charity.

Tangible fixed assets and depreciation

All assets costing more than £2,500 and with an expected life exceeding one year are capitalised at cost. Depreciation is provided at rates calculated to write off the cost, less estimated residual value of each asset, over its expected useful life, as follows:

- | | |
|----------------------------------|------------------------------|
| ◆ Fixtures, fittings & equipment | - 3 years straight line |
| ◆ Building improvements | - 15 years straight line |
| ◆ Endowed freehold building | - 100 years reducing balance |

The Trustees have followed the transitional rules under FRS15 and have chosen not to revalue the freehold land and buildings as they believe they would not be able to obtain a reliable estimate due to its Grade 1 listed status.

Principal accounting policies 31 March 2013

Investment

The investment in the subsidiary company is stated at cost.

Cash flow

The financial statements do not include a cash flow statement because the group (i.e. the charity and its subsidiary), as a small reporting entity, is exempt from the requirement to prepare such a statement under Financial Reporting Standard 1, 'Cash Flow Statements'.

Notes to the financial statements Year to 31 March 2013

4 Charitable expenditure

	Unrestricted funds £	Restricted funds £	Endowment funds £	Year ended 31 March 2013 £	Year ended 31 March 2012 £
<i>Direct costs</i>					
Ex-residents costs	5,928	—	—	5,928	5,929
Other costs	16,412	—	—	16,412	2,955
<i>Support costs (note 5)</i>					
Staff costs – shared	69,673	45,000	—	114,673	60,662
Premises costs	64,132	—	577	64,709	44,935
Administration costs	50,497	—	—	50,497	13,223
	<u>206,642</u>	<u>45,000</u>	<u>577</u>	<u>252,219</u>	<u>127,704</u>

5 Support costs

	Cost of generating funds		Charitable Expenditure			Total Year ended 31 March 2013 £	Total Year ended 31 March 2012 £
	Unrestricted £	Restricted £	Unrestricted £	Restricted £	Endowment £		
<i>Staff costs</i>	<u>114,673</u>	<u>—</u>	<u>69,673</u>	<u>45,000</u>	<u>—</u>	<u>229,346</u>	<u>153,041</u>
<i>Premises costs</i>							
- Repairs and refurbishments	16,391	—	16,391	—	—	32,782	26,730
- Insurance	7,279	—	7,279	—	—	14,558	9,422
- Heat and light	6,788	—	6,788	—	—	13,576	11,840
- Health and safety	3,971	—	3,971	—	—	7,942	2,864
- Other premises costs	12,300	—	12,300	—	—	24,600	21,480
- Depreciation	17,980	—	17,403	—	577	35,960	17,534
Total premises costs	<u>64,709</u>	<u>—</u>	<u>64,132</u>	<u>—</u>	<u>577</u>	<u>129,418</u>	<u>89,870</u>
<i>Administration costs</i>							
- Office overheads	50,497	—	50,497	—	—	100,994	26,446
	<u>50,497</u>	<u>—</u>	<u>50,497</u>	<u>—</u>	<u>—</u>	<u>100,994</u>	<u>26,446</u>
	<u>229,879</u>	<u>—</u>	<u>184,302</u>	<u>45,000</u>	<u>577</u>	<u>459,758</u>	<u>269,357</u>

Support costs have been allocated to cost of generating funds and charitable expenditure on a 50/50 basis based on the proportion of time spent on each activity.

6 Governance costs

	Unrestricted funds £	Restricted funds £	Year ended 31 March 2013 £	Year ended 31 March 2012 £
<i>Audit and accountancy</i>				
- Current year	12,000	—	12,000	10,200
- Prior year	4,821	—	4,821	—
Legal fees and other professional fees	114,493	—	114,493	110,680
	<u>131,314</u>	<u>—</u>	<u>131,314</u>	<u>120,880</u>

Notes to the financial statements Year to 31 March 2013

1 Voluntary income

	Unrestricted funds £	Restricted funds £	Year ended 31 March 2013 £	Year ended 31 March 2012 £
Garfield Weston Foundation	—	100,000	100,000	—
Trust for London	—	15,000	15,000	—
The Linbury Trust	—	25,000	25,000	—
Other donations and grants	123,133	5,000	128,133	105,005
	123,133	145,000	268,133	105,005

2 Activities for generating funds

	Unrestricted funds £	Restricted funds £	Year ended 31 March 2013 £	Year ended 31 March 2012 £
Rental income	514,509	—	514,509	427,990
Events income	167,906	—	167,906	384,481
Registration fees	7,553	—	7,553	—
	689,968	—	689,968	812,471

3 Cost of generating funds

	Unrestricted funds £	Restricted funds £	Year ended 31 March 2013 £	Year ended 31 March 2012 £
<i>Direct costs</i>				
Event costs	91,941	—	91,941	356,559
Publicity costs	66,734	—	66,734	1,651
Staff costs – direct	224,080	—	224,080	163,116
<i>Support costs (note 5)</i>				
Staff costs – shared	114,673	—	114,673	92,379
Premises costs	64,709	—	64,709	44,935
Administration costs	50,497	—	50,497	13,223
	612,634	—	612,634	671,863

Notes to the financial statements Year to 31 March 2013

7 Net movement in funds

This is stated after charging:

	Year ended 31 March 2013 £	Year ended 31 March 2012 £
Staff costs (note 8)	453,426	316,157
Auditors' remuneration (including VAT)		
- Current year	12,000	10,200
- Prior year	4,821	—
Depreciation	37,113	17,534

8 Staff costs and Trustees' remuneration

	Year ended 31 March 2013 £	Year ended 31 March 2012 £
Staff costs during the year were as follows:		
Wages and salaries	237,306	220,140
Social security costs	24,528	23,195
Other staff costs, including consultants and redundancy costs	191,592	72,822
	453,426	316,157

The average number of salaried employees, including part-time staff, during the year ended 31 March 2013 was 8 (2012 - 7).

One employee earned between £60,000 and £70,000 per annum (including benefits) during the year ended 31 March 2013 (2012 – none).

No Trustee received any remuneration for services as a trustee during the year ended 31 March 2013 (2012 – none) nor were any expenses reimbursed to the Trustees.

Juliet Armstrong, a Trustee, is also a partner of The Berkeley Partnership. During the year The Berkeley Partnership provided the charity with pro-bono consultancy services.

Kevin Arnold, a Trustee, is also a partner of Gardiner and Theobold LLP. During the year Gardiner and Theobold LLP provided the charity with pro-bono services in relation to the building renovations.

No value has been placed on these pro-bono services for the purposes of the financial statements.

Notes to the financial statements Year to 31 March 2013

9 Taxation

The House of St Barnabas is a registered charity and therefore is not liable to income tax or corporation tax on income derived from its charitable activities, as it falls within the various exemptions available to registered charities.

10 Tangible fixed assets

Group and Charity	Endowed freehold land and buildings £	Building Improvements £	Fixtures, fittings & equipment £	Total £
Cost				
At 1 April 2012	65,022	229,231	35,354	329,607
Additions	—	336,922	—	336,922
At 31 March 2013	65,022	566,153	35,354	666,529
Depreciation				
At 1 April 2012	7,327	27,900	35,354	70,581
Charge for year	577	36,536	—	37,113
At 31 March 2013	7,904	64,436	35,354	107,694
Net book values				
At 31 March 2013	57,118	501,717	—	558,835
At 31 March 2012	57,695	201,331	—	259,026

During the year a professional valuation of the charity's property was carried out. This estimated the value of the building at 1 Greek Street to be £4 million based upon its current usage.

Notes to the financial statements Year to 31 March 2013

11 Fixed asset investments

Charity	2013 £	2012 £
Investment in subsidiary undertakings at cost		
. £1 ordinary shares	1	1

The charitable company owns the wholly issued ordinary share capital of £1 in The House of St Barnabas Events Ltd, a company registered in England (Company Registration No. 06854603). The subsidiary is used for commercial activities, namely the promotion and management of The House of St Barnabas, as a venue for community, charity and commercial events. All activities have been consolidated on a line by line basis in the statement of financial activities.

A summary of the results of the subsidiary are shown below:

	2013 £	2012 £
Turnover	634,450	794,910
Cost of sales	(690,446)	(667,556)
Gross profit	(55,996)	127,354
Administrative expenses	(24,999)	(9,248)
(Loss) / Profit for the financial year before Gift Aid	(80,995)	118,106
Gift Aid donation to parent company	—	(89,489)
(Loss) / Profit for the financial year	(80,995)	28,617
Retained losses at 1 April 2012	—	(28,617)
Retained losses at 31 March 2013	(80,995)	—

12 Debtors

	Group		Charity	
	2013 £	2012 £	2013 £	2012 £
Other debtors	31,924	18,498	18,364	214,296
Prepayments and accrued income	18,599	35,686	17,785	8,755
	50,523	54,184	36,149	223,051

Notes to the financial statements Year to 31 March 2013

13 Creditors: amounts falling due within one year

	Group		Charity	
	2013 £	2012 £	2013 £	2012 £
Expense creditors	205,470	104,860	128,441	40,666
Social security and other taxes	7,396	5,764	7,396	5,765
Other creditors	879	—	67,354	410,778
Accruals and deferred income	108,016	248,353	47,194	43,207
Loans	74,200	—	44,200	—
	395,961	358,977	294,585	500,416

Loan balances above consist of £4,200 of the bank loan (see note 14) and £70,000 of interest free loans from Trustees and supporters of the charity.

The following deferred income balances are included within accruals and deferred income:

	Group		Charity	
	2013 £	2012 £	2013 £	2012 £
Deferred income brought forward	159,322	63,753	—	—
Released in the year	(159,322)	(63,753)	—	—
Income received in the year treated as deferred income	30,214	159,322	—	—
Deferred income carried forward	30,214	159,322	—	—

Deferred income carried forward of £30,214 relates to membership fees paid in advance at 31 March 2013 relating to 2013/14.

Notes to the financial statements Year to 31 March 2013

14 Creditors: amounts due after more than one year

Group and Charity	2013 £	2012 £
Bank loan	365,800	—
	365,800	—

The bank loan is repayable by instalments as follows:

	2013 £	2012 £
Within one year	4,200	—
Between one and two years	17,158	—
Between two and five years	58,624	—
After five years	290,018	—
	370,000	—
Included within current creditors	(4,200)	—
	365,800	—

The bank loan was taken out in 2012 with Charity Bank and is being used to refurbish the charity's property in Greek Street. Interest is fixed at 6.5% per annum on the loan amount and the loan is secured against the charity's property at 1 Greek Street. The loan will be repaid in instalments up to December 2027.

15 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust to be applied for specific purposes:

Group and Charity	At 1 April 2012 £	Incoming resources £	Resources expended £	At 31 March 2013 £
Chapel fund	12,916	—	—	12,916
Life Skills Programme	—	20,000	(20,000)	—
House refurbishment	—	125,000	(25,000)	100,000
	12,916	145,000	(45,000)	112,916

The specific purposes for which the funds are to be applied are as follows:

- ◆ *Chapel fund*
The Chapel fund includes donations for the restoration work on the chapel and the funding of a part-time chaplain.
- ◆ *Life Skills Programme*
Donations were received in the year to support the costs associated with the Life Skills Programme run to help homeless people become re-integrated with mainstream society.
- ◆ *House refurbishment*
Donations were received in the year to support the refurbishment of the Charity's property in Greek Street.

Notes to the financial statements Year to 31 March 2013

16 Endowment funds

On the formation of the charitable group in the year ended 31 March 2010, the freehold land and buildings, with a net book value of £59,462 was retained in the subsidiary charity and this is represented by an endowment fund (note 10). Depreciation is charged to this fund and the balance on the endowment fund at 31 March 2013 totalled £57,118 (2012 - £57,695).

17 Analysis of net assets between funds

Group	General fund £	Restricted funds £	Endowment funds £	Total 2013 £
Fund balances at 31 March 2013 are represented by:				
Tangible fixed assets	501,717	—	57,118	558,835
Current assets	98,161	112,916	—	211,077
Creditors due within one year	(395,961)	—	—	(395,961)
Creditors due in more than one year	(365,800)	—	—	(365,800)
Total net assets	(161,883)	112,916	57,118	8,151

Charity	General fund £	Restricted funds £	Endowment funds £	Total 2013 £
Fund balances at 31 March 2013 are represented by:				
Tangible fixed assets	501,717	—	57,118	558,835
Investments	1	—	—	1
Current assets	77,778	112,916	—	190,694
Creditors due within one year	(294,585)	—	—	(294,585)
Creditors due in more than one year	(365,800)	—	—	(365,800)
Total net assets	(80,889)	112,916	57,118	89,145

18 Ultimate control

The charitable company is controlled by its Trustees.

19 Capital commitments

The charitable company held the following capital commitments at 31 March 2013:

	2013 £	2012 £
Building improvements	166,533	—

Notes to the financial statements Year to 31 March 2013

20 Operating lease commitments

The annual amounts payable in respect of operating leases shown below are analysed according to expiry of the leases.

	2013	2012
	£	£
Plant and equipment		
Within one year		
Between one and two years	—	3,836
Between two and five years	818	818